

Building Assets * Building Stronger Families

**A Guide for Combining
Asset Building with Family-Strengthening and Healthy Marriage Services**

DRAFT

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INTRODUCTION

The Office of Community Services, a component of the Administration for Children and Families, U.S. Department of Health and Human Services, administers the Assets for Independence Program (AFI) to support organizations across the nation that help low-income individuals and families become more economically secure. OCS-funded AFI Projects teach participants about the nation's economic system and gives them access to special matched bank accounts called, "Individual Development Accounts" (IDA). The overall goal is to enable families to accumulate sufficient funds to purchase a long-term economic asset – that is, to build assets for their future. OCS is supporting more than 400 AFI Projects.

AFI Projects and the IDA concept are rooted in a core tenet of asset building approach for reducing poverty: While sufficient income is the basis of a dignified and secure life, financial assets are the pillar of long-term family stability and advancement. It can be very difficult for those with limited incomes to accumulate financial assets and build a stable economic future. Immediate needs take precedence over long-term goals. Further, those who have not participated in the financial system, such as by saving regularly in a bank account, may lack the skills to do so. Building wealth is like any other skill—the more one does it, the better one is at it.

That is where AFI Projects come in. Each OCS-funded AFI Project provides lower-income people tools they can use to accumulate economic assets and build a stronger financial future. The IDA is the core tool, but there are many others including money management training, mentoring, creative incentives for saving regularly, and other supports. OCS works with a wide range of government agencies and private organizations including faith-based and community-based nonprofit groups to open the door to financial security to thousands of families and individuals.

Asset building strategies and family stability are two sides of the same coin. Asset building and economic well-being are helpful for family stability. A strong family environment provides the structure, support, and motivation to focus on asset building for long-term economic security. Many of the skills necessary to maintain a strong family and successful marriage are similar to those used to plan for financial security. Thus, family-strengthening and Healthy Marriage activities can be strong elements of a successful AFI Project.

This guide includes an overview with a step-by-step strategy for combining AFI Project and overall asset building approach with family-strengthening and Healthy Marriage strategies. Following the overview section are two tabs. The first provides 50 special financial literacy curriculum modules designed specifically for family-focused projects. The second is a guide to resources for more information on asset building and family-strengthening and Healthy Marriage topics and strategies.

INCORPORATING FAMILY-STRENGTHENING and HEALTHY MARRIAGE STRATEGIES INTO YOUR AFI PROJECT

MONEY MATTERS IN FAMILY AND MARRIAGE

The family unit has long been the basis of economic activity: the stronger the family, the stronger the society and greater its achievements.

Combining asset-building strategies with family-strengthening education leverages the potential of both. While these types of services are typically delivered separately, they are deeply intertwined. Asset-building projects bolster family economic stability through economic and consumer education, credit counseling and repair, and by helping clients save money to accumulate economic assets over the long term. Family-strengthening projects, including Healthy Marriage projects, impart concrete skills to better communicate and manage and resolve conflicts. The result is more success in *every* area of family and married life.

Through partnerships with organizations active in family-strengthening activities, leaders of organizations that are administering AFI Projects and related asset building efforts can help families and couples:

- Better understand the values and perspectives they hold about financial matters.
- Explore family finances and budgeting.
- Resolve potential sources of friction related to money.
- Learn to manage conflict.
- Recognize and resolve deeper issues related to money management.
- Explore and discuss common money issues such as spending, budgeting, and the use of credit, and savings
- Remain intact.

Background on Asset Building, Family-Strengthening and Healthy Marriage

Before describing the resources available to add family-strengthening strategies into your AFI Project, it is important to provide background and define the terms. While there are similarities and overlaps between asset building and family-strengthening and Healthy Marriage, there are also important distinctions to keep in mind.

ASSET BUILDING

Asset building encompasses a multitude of strategies to enable families and individuals to become and remain economically self sufficient. AFI Projects focus on one strategy in particular, Individual Development Accounts (IDAs). Implementation of IDAs includes financial education and asset-specific training, as well as other supportive services.

Individual Development Accounts

IDAs are a special form of savings account in which the savings are matched. IDAs help low-income working families and individuals save to build assets and acquire the skills to grow them. Savings, deposited with a bank or other financial institution, are usually set aside monthly over a period of from six-months to up to several years. Participant savings are matched by the AFI Project. Projects vary in their match rates: most offer \$2 in match funds for every \$1 saved, while projects are allowed to match the savings at a higher rate. The maximum amount of match funds that can be provided to an individual is approximately \$4,000, but this varies given the circumstances.

Under AFI, IDAs can be used for:

- First-time home purchase.
- Starting or expanding a small business.
- Obtaining post-secondary education, including vocational training.
- Assisting a dependent to acquire one of these forms of economic assets.

Under some IDA projects not supported through the AFI program, participants can use their IDA for additional purposes including automobile purchase and home repair.

Financial Education

Helping families and couples learn money management and planning skills is at the core of every AFI Project. Financial education—also referred to as financial literacy, financial training, money management, and economic literacy training—provide participants with useful information and helpful resources on many topics including:

- Goal setting.
- Budgeting.
- Credit repair or establishment.
- Cash management.
- Investment and saving products and strategies.
- Bank products and services.
- Tax preparation.
- Retirement planning.

Start Quote from the Field

“Financial education is marriage strengthening. Money is the top problem for most couples. When couples are sitting together, hearing the same thing, doing spending sheets together – they are talking. Many couples have never talked like this before about money.” Karen Oswald, Sonoma Community Action Partnership

End Quote from the Field

Asset-Specific Training

In financial education, AFI Project participants first gain an overview of the financial system and how it can be accessed to build assets, as well as tools for personal financial planning. The next step is learning about the specific types of asset they plan to purchase with their IDA savings. Issues typically covered in asset-specific training include:

- Home purchase through homebuyer clubs and first-time homebuyer projects.

- Micro-enterprise development, including business planning and marketing.
- Pre-purchase counseling about other assets.
- Pursuing educational opportunities and career counseling.

AFI Projects often provide this type of training in partnership with a number of organizations such as:

- Financial institutions.
- Housing counseling agencies.
- Realtors.
- Consumer awareness groups.
- Small Business Development Centers
- Colleges and universities.
- Job training programs.
- Other community groups.

AFI Grants and Project Management

OCS awards grants of up to \$1,000,000 for five-year AFI Projects. Typically, the projects are managed by community or faith-based organizations and State, local and Tribal government agencies such as:

- Community Action Agencies
- Community Development Corporations
- Community Development Financial Institutions
- Faith-based organizations.
- Refugee Resettlement Agencies.
- Local United Ways.
- State Human Services Agencies and Housing Agencies.
- Other nonprofits.

Many organizations that implement AFI Projects also provide vital family-strengthening services, such as Head Start, domestic violence prevention, employment services, literacy classes, and more.

FAMILY-STRENGTHENING AND HEALTHY MARRIAGE

While organizations involved in asset-building, family-strengthening and healthy marriage find many commonalities on which to base their strategies, it is important to review fundamental approaches.

American Family

The American family is a core component of every community. Families come in many forms, including:

- Couples.
- Couples with children.
- Single people with children.
- Families with multiple generations.

- Extended families.
- Blended families.
- Other variations.

A family's specific form is not nearly as important as its function as a support unit that enables and empowers its members to realize their individual and collective goals and play a constructive role in building a better community.

Family-Strengthening Education

Family-strengthening and Healthy Marriage education teaches individuals and families relationship and communication skills that will sustain strong families and healthy marriages. Organizations that use these approaches provide the support, knowledge, and skills for building stable families that can achieve their goals, including financial goals.

Family-strengthening and Healthy Marriage is *not about*:

- Trapping anyone in an abusive or violent relationship.
- Forcing anyone to marry or stay married.
- Withdrawing supports from or diminishing in any way the important work of individuals and single parents.

Family-strengthening and Healthy Marriage are not new names for marriage counseling. Marriage counseling is a more intensive process built around specific issues the couple brings to the counseling experience. Counseling is probably not an appropriate broad strategy for family strengthening or marriage education in the context of an asset-building project, but it may be useful in certain circumstances. Counseling should be provided by trained counselors or therapists or clergy with family and marriage-therapy expertise. Agencies that incorporate family-strengthening and Healthy Marriage activities into their AFI Project should develop a referral list and protocol to refer couples who need more than education.

Characteristics of Successful Family-Strengthening and Healthy Marriage Activities

The most successful organizations that provide family-strengthening and Healthy Marriage activities usually exhibit several key characteristics. They focus on *skill building* and address important issues, such as:

- Conflict management.
- Communication skills.
- Developing and maintaining fun and friendship.
- Understanding commitment.
- Building trust.

Adding these key concepts to asset building and financial education can only help assure the success of any AFI Project or other asset building and IDA efforts.

Family-Strengthening and Healthy Marriage Strategies Produce Results

Research demonstrates that individuals can learn skills to handle disagreement and conflict. These skills create more stable families. Group education, in which families or couples participate together in courses on communication and finances, are extremely effective. This training helps people learn about and manage critical interpersonal relationship issues, including:

- Personality differences and similarities.
- Sexuality and intimacy.
- Expectations and roles.
- Spirituality.
- Finances.

AFI Projects that help participants strengthen their families and marriages send a message to participants and the community: our society values strong relationships and stable families.

FAMILY-STRENGTHENING and HEALTHY MARRIAGE SERVICE PROVIDERS

A wide variety of organizations provide family-strengthening and Healthy Marriage education and services. While the family is the most intimate of private institutions, it is and always has been the building block of society. We all have a stake in strong and healthy families.

Organizations providing family-strengthening and Healthy Marriage education and services include:

- Secondary schools and colleges.
- Faith-based organizations.
- Secular nonprofits.
- Cooperative Extension Services.
- Refugee services.
- Military family service groups.
- State social service agencies.
- Community and state marriage coalitions.

These skills can be taught in numerous settings. The participation of community groups makes training more accessible. A number of skill-building activities can be adapted for the particular culture and faith of participants, which increases their inclusiveness. Examples of effective activities are included in the tools section of this guide.

Many Types of Teachers

Individuals who provide family-strengthening or Healthy Marriage must be trained in facilitation and knowledgeable about the topic, but they are not required to undergo extensive study or have a particular academic credential. Those who lead classes on these topics include:

- Laypersons.
- Public and private school teachers.
- Clergy.

- Mental health professionals.

Facilitator training for these topics are widely available and the facilitator training typically lasts only a few days. The Resource section of this guidebook includes information about several organizations that provide training for family- and marriage-strengthening facilitators.

Benefits of Marriage Education

Marriage education is not only for married couples. Individuals in any relationship can use the skills in many aspects of their lives, including in their family relationships. Individuals can take courses throughout their lifetimes. Courses can be adapted for special populations. Some schools provide marriage education and skill-building to youth. Premarital education strategies are prominent in the Federal / State Temporary Assistance for Needy Families (TANF) program and other Federal projects. Family-strengthening and Healthy Marriage projects focus specific services on the relationships between parents and children.

Our society's commitment to healthy families is reflected in the thousands of family- and marriage-strengthening organizations and projects available across the nation.

*** *Begin Major Sidebar* **

Common Types of Family-Strengthening and Healthy Marriage Activities

➤ *FAMILY STRENGTHENING*

Strong families have specific qualities and characteristics. They also have clear strengths, including commitment, communication, appreciation, trust, and an ability to cope with stress. Family-strengthening activities include helping family members connect by improving communication and relationship skills and helping individuals define the role of family in their life as well as the different roles within a family. Activities include parenting classes, family outings, employment support, family budgeting, and more. Family Wellness professionals offer courses on survival skills for healthy families and building family relationships.

➤ *MARRIAGE ENRICHMENT*

Marriage enrichment is designed to strengthen and improve existing relationships. Couples learn about or revisit issues related to personality differences and similarities, communication, conflict resolution, sexuality and intimacy, expectations and roles, finances, and spirituality. In addition to community and faith-based approaches, marriage education projects such as the "Prevention and Relationship Enhancement Program" (PREP), "Practical Application of Intimate Relationship Skills" (PAIR), "Power of Two," and "Active Relationships" are being implemented nationwide.

➤ *PREMARRIAGE EDUCATION*

Premarriage education refers to skills-building projects for couples intending to marry. Couples learn about the same core issues communicated in Marriage Enrichment courses. Marriage preparation gives couples a chance to push a "pause" button on their emotions and think about their similarities and differences before making a final commitment. A premarriage inventory such as PREPARE® or FOCCUS can help identify how individuals are similar or different in their approach to a variety of issues. Properly trained laypersons, trained clergy, extension workers, community outreach staff, health clinic staff, and/or counselors/therapists can provide effective premarriage education.

➤ *MARRIAGE EDUCATION FOR YOUTH*

Marriage education is not just for adults. There are several youth-group and school-based marriage-education methodologies and curricula designed especially for young adults. Youth learn interpersonal skills to help them build a successful future marriage and understand the functioning of a healthy family. Providing teenagers with the opportunity to address these issues bolsters their confidence in, and positive attitudes toward, marriage.

See the Resource section of this guide for more information on the approaches and curricula cited here.

**** END MAJOR SIDEBAR ****

APPROACHES FOR ADDING A FAMILY-STRENGTHENING and HEALTHY MARRIAGE STRATEGY INTO YOUR AFI PROJECT

Many participants in AFI Projects are couples, families, and future families. Several AFI Projects across the country focus particularly on families. A few have even named their savings products “Family Development Accounts” instead of Individual Development Accounts. These projects seek to make a clear connection between asset building and the family.

**** Begin Quote from the Field ****

“We converse better to make sure we only buy what we need. It is not equal if only one of us comes [to class]. Then there’s no agreement. When we both attend, we come to agreement and understanding. – Couple in Financial Education at an AFI Project.

**** End Quote from the Field ****

AFI Projects are using two broad strategies to emphasize family-strengthening and Healthy Marriage objectives: *Education* and *Partnerships*.

EDUCATION STRATEGIES

Most financial and asset-specific education curricula used in AFI Projects are designed for individuals; however, curricula are easily expanded to make them useful for couples and families. Here are six concrete suggestions for adding a family dimension to your AFI Project’s financial education component. The Resource section of this guide includes information on where to find more information on the curricula or strategies discussed here.

Suggestion 1: Use a Relationship-Oriented Financial Education Curriculum

Since everyone is likely to be involved in family relationships of one kind or another, a relationship-based curriculum could add value to trainings. In these types of curricula, the participant family members:

- Receive training as a unit.
- Develop a budget together.
- Learn about and, if necessary, improve their credit situation as a unit.
- Explore their financial values, both similarities and differences.
- Jointly select their asset choice.
- Jointly prepare a savings plan to acquire the asset.

- Jointly develop a plan to maintain and protect their asset.

****Begin Quote from the Field****

“When both partners in a couple attend the training, it changes the experience from a ‘parent’ situation with one partner asking, “Tell me what your class is like.” It’s more equal.” AFI Project Coordinator

****End Quote from the Field****

Suggestion 2: Design Relationship-Centered Financial Education for Couples and Families

Families are about relationships. Financial education delivered within the context of relationships—education that promotes discussion and reflection—is more effective and meaningful.

Relationship-centered training could include conversations and exercises about issues such as:

- How personality differences can influence individual views on money and money management within the family.
- How each partner’s childhood family managed and resolved differences about money.
- How money is often a “taboo” subject for families.
- What each person in a family may have “inherited” regarding the emotional meaning of money.
- How the family as a unit defines its expectations about money.
- How best to work together to resolve conflicts about money.
- How the family assigns roles and responsibilities regarding household money management (e.g., who balances the checkbook, when the couple discusses money).
- What strategies the family can use to develop and stick to a household budget, including a savings goal.
- Expectations and approaches to using credit cards.

****Begin Sidebar – Feature from the Field ****

Couples Strategies for Household Budgeting --

An AFI Project coordinator in Montana encourages couples to participate in the program together. One of the more important tasks is agreeing on and sticking to a household budget. Here are some strategies developed by couples in that program:

Paying allowances—Each partner receives a monthly allowance for personal spending. All other income goes to household expenses, including their savings goal.

Budget envelopes—An envelope is filled with money each month for household expenditures such as food and gas. Partners share in spending from these envelopes. Careful...no overspending!

Monthly bills—Partners take turns paying monthly bills. Rotating duties ensures that both partners are aware of household expenditures.

Emergency planning—Couples agree to put aside emergency funds that cannot be used for regular expenses.

Source: Denise Jordan, District 7 Human Resources Development Council, Billings, Montana

End Sidebar – Feature from the Field

Suggestion 3: Create or Adapt an “Add-on” Family- and Marriage-Strengthening Module or Workshop to an Existing Financial Education Component

While integrating relationship-based training into the AFI Project is optimal, sometimes this is not practical. If it is not possible for both members of a couple to attend the general training sessions, AFI Project trainers may wish to add a stand alone or special curriculum module about financial literacy issues for couples and families. This is one way to ensure that both partners in the family discuss money, collaborate on financial management decisions, and work together toward their asset goal.

Similarly, AFI Projects can offer special workshops or training for married participants. These would focus on how couples, as life partners, can enhance their financial well-being by working together, communicating and having common goals, and shaping a common future. Just as financial institution staff and real estate agents are invited to give workshops on banking or home buying, a qualified family- and marriage-strengthening specialist can be invited to provide a workshop or a series of sessions for couples. Special workshops or modules could include topics such as:

- Financial Communication that Works.
- Money Matters in Family and Marriage.
- Building Wealth through Marriage.
- Stable Financial Management Leads to a Stable Family.
- Love and Money.
- Small Business Finances and Your Family.
- How Homeownership Affects Financial Management.
- Money Personalities.

Suggestion 4: Offer Private Meetings with Couples or Families

AFI Project staff and case workers can arrange discussion sessions with each client family. This is a good opportunity to talk about the family’s budget, assess whether couples and other family members are aware of and committed to saving toward the agreed upon goal, and discuss different values and strategies.

*** Begin Tip from the Field***

Discussing money is often a “taboo” subject and can be extremely difficult for individuals and couples. Many people are secretive about money issues. Money and finances are often laden with powerful emotions. Couples must be assured that financial discussions will be confidential.

*** End Tip from the Field***

Tools such as marital inventories can be used to address issues of communication, finance, decision-making, and other topics. These instruments are tailored to encourage conversations between couples around joint decision-making. Premarital and marital inventories provide couples with an objective assessment of their strengths and weaknesses. Most marital inventories include couples-focused financial education.

**** Begin Quote from the Field****

“In America, parental and marital roles, responsibilities and limits are often unclear and confusing to new immigrants and refugees. Adjusting to the norms of American society can put a great stress on relationships. As women gradually seek to redefine their roles, their husbands may discourage them from attending classes, managing money, getting a job, or participating in the community. Unable to find local family-strengthening educators with special expertise in working with refugee populations, we are considering training staff as family and marriage educators to help the families we serve remain strong as they transition into American life.” -- Jacques Wilson, Kurdish Human Rights Watch, Fairfax, Virginia.

**** End Quote from the Field****

Suggestion 5: Train Staff as Family-Strengthening or Healthy Marriage Educators

A number of organizations offer curricula and train-the-trainer programs for laypersons to prepare them as family, couple, or marriage educators. These programs typically last from one to three days. They provide thorough training on effective classroom techniques to help individuals, couples, and families learn conflict resolution and communication skills. This type of training helps educators become effective within diverse income or cultural contexts by incorporating adaptive training techniques.

Suggestion 6: Pair Families and Couples as Role Models and Mentors

Families helping families can be an effective strategy for AFI Projects. Pairing successful couples as role models and mentors to couples who are entering AFI Projects may be a particularly good approach for low-income families living in at-risk communities. For example, the Catholic Charities organization in Dallas, Texas, has reported success using in-home mentoring projects for newly arrived refugees. Program mentors are successful refugees who have benefited from family- and marriage-strengthening courses such as “Power of Two” and “Family Wellness.” Selected families or couples should also have careful training in mentoring techniques in addition to their own training experience.

PARTNERSHIP STRATEGIES

Adding a family-strengthening and Healthy Marriage strategies to an AFI Project may be as simple as developing relationships with other community organizations that offer these services. With the current focus on building strong families and couples throughout the nation, appropriate organizations are likely to be in your area. More information on the partners or curricula referenced below is in the Resources section of this guide.

Suggestion 1: Identify Family-Strengthening and Healthy Marriage Educators in Your Community to Provide Training for Your Participants

Family-strengthening workshops are offered in almost every community. Education services, including those providing training in nationally recognized curricula such as “Practical Application of Intimate Relationship Skills” (PAIRS), and “Prevention and Relationship Enhancement Program” (PREP) offer relationship skill-building opportunities for participants.

Suggestion 2: Seek Referrals from Family-Strengthening and Healthy Marriage Organizations

Many community and faith-based organizations, schools, mental health clinics, churches, and individual professionals offer family- and marriage-strengthening services. If properly informed and supplied with marketing materials such as brochures, these professionals and agencies can publicize and promote your organization's asset-building project to their clients. Asset-building participants that you enroll this way will already have access to family- and marriage-strengthening training and resources.

***** Begin Major Sidebar -- Feature from the Field *****

Including the Whole Family

A small, rural AFI Project in California highlights family strengthening at every step. It's important to engage as many family members as possible through the entire course of the training. The more sustained the involvement of all family members, the higher the chance of success.

Recruitment:

AFI Project participants are recruited from a diverse array of community partners who provide family-education including Head Start projects, churches and other faith-based institutions, schools and government agencies.

Eligibility:

The initial interview includes a couples assessment. It covers such issues as, Is the couple willing to discuss financial management? Do both partners agree to save toward the shared goal?

Financial Education:

Both partners are required to attend group training together. They are encouraged to bring all family members. Teenage children assist with translation during the trainings, and bilingual classes are provided. Each partner keeps day-to-day lists of expenditures. Games, exercises, and discussions are adapted for couple and family talk.

One-on-Two Education:

Each couple attends two private sessions with the AFI Project coordinator to promote open discussion about attitudes, spending, current income, and opportunities. Couples are asked to agree on a household budget that includes the IDA savings goals.

When couples cannot agree on issues or goals, the project coordinator refers them to specialists. Directories of pre-screened specialists include faith-based and secular options. In addition, the AFI Project Coordinator may suggest the couple talk with a religious mentor.

***** End Major Sidebar -- Feature from the Field *****

Suggestion 3: Incorporate Family and Marriage Topics into AFI Applicant Assessments

A family-strengthening educator or specialist can help develop three or four questions that would assist your organization's AFI Project staff to identify families and couples who could benefit from family strengthening or marriage education. Further, any participant families who are experiencing marital strain or conflict that is inhibiting their progress in the asset-building program can be referred to a marriage specialist.

Suggestion 4: Develop Family and Healthy Marriage Resource Reference Materials at Your Agency

Family and marriage reference materials can be an important asset for your organization. A collection can offer a variety of informative handouts and brochures, a videotape/DVD

library, and books on family and marriage strengthening. Brochures can be offered in several languages. Material should be available for use within or outside your agency. A space in which participants can view program-related videos or DVDs would be ideal.

STEP BY STEP: HOW TO INCORPORATE FAMILY-STRENGTHENING and HEALTHY MARRIAGE COMPONENTS INTO YOUR AFI PROJECT

It can be relatively simple to add a family-strengthening and Healthy Marriage activities into an existing AFI Project. Effectiveness requires careful planning, however. Here is a six-step roadmap to help you succeed.

Step 1: Assess Your Organizational Objectives and Capacity

Before getting started, your organization should take the time to assess whether and how family-strengthening and Healthy Marriage fits with your objectives and capacity. Some organizations already have the capacity to offer relationship education. Many others already have strong community partners with this capacity. Organizations that do not have internal resources or strong community partners may choose either to hire or train staff or to explore potential partnerships. Here are some questions to consider:

- Do family-strengthening and Healthy Marriage fit your organization's priorities and goals?
- Will a focus on relationship-based education improve the quality of your AFI Project and other asset-building services?
- Will adding an emphasis on family and marriage improve your organization's services for potential participants and the community?
- What staff and expertise does your agency currently possess for providing family and marriage strengthening services?
- What expertise and experience is available from partner organizations—or potential partner organizations—in your community, State, or region?
- Who are the potential partners in your community that offer these services?
- Does your organization have the financial resources to administer this work? Does it have partnership or prospects for developing such resources?

Step 2: Re-evaluate the Needs of Potential Participants

Adding family-strengthening and Healthy Marriage to your organization's menu of services enables you to offer a comprehensive approach that will help attract additional participants and/or encourage current participants to continue with enhanced support. Take the time to examine your organization's client base. Explore the groups of potential participants who could be served. Consider implementing short interviews or surveys with a sample of current AFI Project participants and clients of your organization's other projects. Conduct community focus groups to look beyond your current clientele or meet with staff of potential partner organizations. In this re-evaluation of potential participants' needs, ask these questions:

- Who are the AFI Project's current participants? What percentage are married couples? What percentage are unmarried couples?
- Does your organization serve low-income families or couples who are not aware of the AFI Project and its IDAs?
- How would non-participating families and couples benefit from strategies that incorporate relationship building around financial management?
- What cultural values and perceptions do potential participants already have regarding family education?

- Will adding family-strengthening and Healthy Marriage services increase the number of people who apply to participate in your AFI Project overall?

Start Quote from the Field

“Child care centers are a great point of entry for an AFI Project. If families are willing to trust you with their children, they are willing to trust you on financial issues. “ AFI Project in Florida.

*** End Quote from the Field***

Step 3: Offer Strategies as Diverse as Your Participants

The best family-strengthening and Healthy Marriage activities are flexible. They celebrate the diversity of participants. Marriage is a complex mix of family histories, emotions, behavior patterns, sexual issues, and values, including spiritual and religious motivations. It is important to use techniques that fully respect the myriad differences found in families and couples.

The strategies should be sensitive to the demographic characteristics of families and couples, including religious faith and income level. Your organizations should explore these issues with clients, particularly client couples. For example, when implementing a partner or referral approach, always take into account the expertise of the partner organization along with the preferences of the client families and couples. The couple may prefer a certain context, whether religious or secular. It is important for the AFI Project staff to be aware of specific concerns.

Step 4: Choose the Right Relationship-Based Financial or Asset-Specific Curricula

Numerous organizations produce and distribute relationship-based curricula. Professional training opportunities and train-the-trainer classes are available to enable laypersons to become certified family-strengthening and Healthy Marriage educators. Some curricula require no formal facilitator training and are ready to teach “out of the box.” Many state and local government agencies have engaged social workers, welfare workers, and extension services to create relationship curricula. Colleges and universities, in particular social work and consumer sciences departments, are often aware of good curricula that address family and marriage issues. There are also excellent skill-based marriage and relationship curricula for high schools being developed across the nation.

Step 5: Choose the Right Family-Strengthening or Healthy Marriage Partner

Choosing the right partner organization is critical to success. Here is a suggested process that has worked for AFI Project leaders around the nation:

Research

The first step is to identify all potential partners. Individual professional practitioners are located in many communities. The following types of organizations also may be good partners to seek out:

- **Faith-based and community-based service organizations.** Local faith-based social service organizations such as Catholic Charities, Jewish Family and Children's Services, and Lutheran Social Services specialize in family, premarriage, and marriage enrichment. Community-based organizations such as Family Services Agencies, Community Action Agencies, and local United Way organizations often include among their services

enrichment, education workshops, credit repair, and financial education for families and couples.

- **Professional organizations.** Many professionals belong to distinct organizations, often with state and local chapters. These include medical societies, the National Association of Social Workers, American Psychological Association, National Board of Certified Counselors, American Association of Family and Marriage Therapy, and others. These groups typically have projects devoted to family life.
- **Places of worship.** Many churches, synagogues, mosques, and other faith groups provide family and marital services. Check with the local pastor, rabbi, imam, or other religious leaders.
- **Schools, colleges and universities.** An increasing number of primary, secondary and post-secondary schools offer parent education and family-strengthening services.
- **Mental health clinics and hospital clinics.** Local mental health centers and hospital wellness centers may offer marital and family enrichment classes. They also offer instruction in stress management.
- **State and community marriage initiatives:** Many states and communities have recently established family-strengthening and Healthy Marriage coalitions.

In addition to contacting potential partners directly, there are also resources in many communities to help find partners. These include:

- **Information and referral services.** In many communities, nonprofit organizations such as the Red Cross or United Way provide information and referral services for the region. Resources are listed in phone directories or on the Internet. In addition, many communities have established special referral telephone centers, such as “211” numbers for service options.
- **State licensing boards.** These state agencies may help in some instances, though their services may be limited to information on the licensing and good standing of a certain professional.
- **Individuals.** Your network of contacts likely includes individuals who have participated in education and enrichment projects and are willing to share information about their experience.

See the Resources section of this guide for a list of websites that will be helpful for identifying partners.

Find the Right Fit

After identifying potential family-strengthening and Healthy Marriage education partners, the next step is to choose the partner that would be a good match for your organization. Here are some criteria that can help in the selection of partners. Please note that some of these elements may vary community by community, so it is always best to ensure that potential partnerships are relevant in a particular community context.

- **Philosophy.** It is important to partner with community or faith-based organizations that share guiding principles and visions for supporting the community. Know the mission and ethics of potential partner organizations. Take the time to speak with the organization's executive and staff to ensure they embrace values and goals that are consistent with your organization's mission.
- **Participant fit.** Identify partner organizations that will be comfortable with, and experienced in, working with the languages and cultures of the participants in your AFI Project. It may be helpful to partner with multiple organizations to ensure coverage for all the different expectations and interests of your participants.
- **Religious and cultural sensitivity.** Make sure to understand the cultural and religious assumptions of a potential partner organization. It is not enough to learn about abstract principles. Ask family-strengthening providers how they would handle specific scenarios. Ask for case studies of successful projects.
- **Community Reputation.** A professional's or organization's reputation in the community at large and among your AFI Project's participants may be very important. Reputation can signal whether the family-strengthening program is reliable.
- **Specialized training and experience.** Before partnering with an agency of educators or counselors, verify their credentials. Feel free to ask what specialized training and experience they have. Also, clarify what proportion of their work has been in family-strengthening or Healthy Marriage with the group or groups to which your participants belong. Ask the same questions about the organization of which a professional is a member. Back-up by other staff and support in an organization committed to and experienced in family relationships can enhance the chances of success. If the professional is in private practice, ask if they use consultants. If so, ask what qualifications are required of their consultants.
- **Cost.** Since AFI Project participants are predominantly low-income, it is important to find partners that can offer services at no or low cost or on a sliding scale fee.

Start Tip from the Field

Characteristics of Strong Family-Strengthening and Healthy Marriage Educators

Many factors influence how professionals conduct family-strengthening education. Regardless of theories, a strong educator:

- *Focuses on and encourages interaction between the family/couple through participatory techniques.*
- *Presents himself or herself as balanced and fair and generally avoids the role of judge.*
- *Shows flexibility in how family-strengthening education is conducted.*

End Tip from the Field

Step 6: Implementation

Enhancing an AFI Project with family-strengthening and Healthy Marriage principles requires careful implementation. Factors to consider include:

- **Scheduling.** Families and couples juggle work, school, recreation, and other activities. Take these schedules into consideration and be flexible in meeting participants' needs.
- **Location.** Holding classes in community settings, such as schools and houses of worship, may make training more accessible, but do not forget to maximize privacy of participants.
- **Fees.** Develop partnerships with other community groups that can provide a no- or low-cost option or even an exchange for services.
- **Language.** Language and literacy can be a barrier to participation for both partners. Requiring both partners in a couple to participate may mean re-assessing the literacy level of the course materials and strategies to ensure active participation and discussion by both partners.
- **Cultural Relevancy.** Since many AFI Projects work with refugee or immigrant populations, it is important that family- and marital- education activities are carried out within the cultural context of participants. Understanding the cultural norms and values of participants will be important. Several AFI Projects allow cultural adaptations to be included in the training. See the Resources section of this guide for more information.

Start Tip from the Field

Childcare. Child care is perhaps the most significant obstacle to participation by both spouses, if young children are involved. In interviews with potential AFI Project participants, it is important to explore child care issues.

- *Is there time during the day when the children are in daycare?*
- *Can the potential participants make their own child care arrangements if training is provided at particular times? If not, what are their needs and preferences for child care?*
- *Is finding a child care resource or providing child care the only way they will be able to participate in the AFI Project?*

The most convenient option is to offer child care at the training site. If your organization or the training site does not have formal child care facilities, consider hiring someone to supervise children in another room during the training. Another option is to hold the training at the site of a child care provider. Local schools, churches, synagogues, mosques might have such facilities. Other options include community-based organizations such as those that administer Head Start programs.

*** End Tip from the Field***

Step 7: Funding

Adding a family-strengthening or Healthy Marriage strategy into your AFI Project may open opportunities to access additional funds from state and local governments, foundations, and faith-based organizations. For example, a group that demonstrates that its community effort includes the involvement of multiple sectors and has leaders trained and ready to offer marriage education classes may be eligible for funding from new sources.

Step 8: Evaluation

Measurement and documentation of program outcomes is always important. It ensures effective project management and demonstrates to funders and policy makers the value of the program to participants and the community. AFI Projects currently track and report several key factors, including:

- Demographic characteristics of participants.
- The number of individual and joint accounts by asset goals.
- The amount of participant savings and the amount of IDA match funds earned.
- The value of the assets purchased (and the amount of other funds leveraged for the purchase).
- The number of participants in financial education activities.

We encourage you to track additional factors, including:

- Demographic characteristics of *both* partners in the client family.
- The number of *couples* who participate in financial education, asset specific training, and other family or marriage-related services.
- The effectiveness of the collaboration between asset-building project staff and family-strengthening staff.
- Participant satisfaction with services.
- Participant perceptions of how adding family-strengthening education has affected their lives, their children, and their relationship with their partner/spouse/children.
- Services effectiveness over time.

CONCLUSION

Strong families and couples, enhanced economic development, and strong communities go hand in hand. Many of the same skills that guarantee a strong family—budgeting, communication, dispute resolution, understanding core goals and values—are necessary to successfully build assets and achieve financial goals. Family-strengthening and Healthy Marriage activities increase the capacity to develop successful relationships, which are the basis of personal, social, and financial advancement.

Begin Quote from the Field

"You see the couples interacting and participating together and it's obvious that this is the way it should be. It's a very dramatic way of helping families survive." -- IDA Advisory Board Member, Sonoma County Community Action Program

*** End Quote from the Field***

For more information, please consult the Resources section of this guide, or contact the Assets for Independence Resource Center at the Office of Community Services. Telephone: (202) 401-4626; Email: AFIPProgram@acf.hhs.gov; and website: <http://www.acf.hhs.gov/assetbuilding>

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Office of Community Services
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Introduction

Congratulations on considering family and marriage education as part of your Individual Development Account (IDA) financial education training! As an IDA trainer, you have the rewarding job of helping individuals and families gain the knowledge and build the skills they need to achieve financial self-sufficiency. This Resource Book is designed for IDA financial education practitioners working with IDA savers who share their financial lives with a partner or family. It contains tools you can use with IDA savers to enhance their communication skills about money—and to work together with their partners, families, and communities to achieve their financial goals.

About the IDA Family Strengthening Initiative

“The IDA training is often the first time couples start working as a team to improve their finances. They learn to negotiate, compromise and give affirmation to their partner for their ideas. It’s a very dramatic way of helping families survive.” IDA Trainer from Nashville – Tennessee

Partnering IDAs and family education activities is a powerful strategy to promote family money management and money harmony. Most adults in America marry or live with a partner and share financial responsibilities and decision-making about money matters during their lifetime. Many of these people have children. For most, financial issues are a primary source of household conflict. Money issues are often intensified in low-income families served by IDAs, where making ends meet day-to-day is a struggle. IDA practitioners are familiar with the kinds of family and economic issues that impact IDA savers’ abilities to reach their goals. IDA is a ready access point for providing financial-related family education services!

Family and marriage education can provide you with the tools to help families confidently:

- × Explore their values and perspectives about money.
- × Work to resolve potential sources of friction.
- × Succeed at managing their family finances and budgets.
- × Save in the IDA program and purchase their asset.

OCS launched the IDA Family Strengthening Initiative to encourage IDA practitioners to integrate family strengthening and marriage education components into their IDA project. In *The Guidebook for Integrating IDA with Family Strengthening and Marriage Education*, two strategies were presented: Education and Partnership. This Resource Book provides IDA practitioners with concrete ideas and tools for implementing the education strategy. Combining financial literacy training with relationship skills building activities can help individuals strengthen their partnerships, marriages, families, and communities.

How the Resource Book Differs from other IDA Curricula

This Resource Book is a compilation of family and couple-focused activities that set the core financial literacy skills—asset development, goal-setting, budgeting, saving, banking, credit, investment, etc.—in a relationship-based context. While the chapters of the Resource Book follow the topics commonly found in IDA financial education programs, this compendium does not offer explanations of the basic concepts of money management in a sequential format. Many excellent financial education curricula exist that do. However, we know that most IDA practitioners use a training program that is a composite of concepts, discussions, exercises and activities from many different resources. IDA trainers continually spend time developing and refining financial literacy training programs to meet their clients’ needs. Therefore, we have

created a Resource Book that offers a collection of new ideas and activities from which you can select to augment the financial education training that you have designed.

Activities throughout the compendium offer a variety of perspectives, methodologies, strategies, and philosophies. The activities target audiences of different ages, literacy levels, life stages, and backgrounds. Each activity offers a different opportunity to explore a financial concept within a family or couple relationship.

Goal of the Resource Book

This book provides IDA practitioners with resources to integrate family and marriage education with their financial education programs. Most IDA classes are currently comprised of individuals from each family. Therefore, many of the activities in the book are designed to help individuals learn new insights about their relationships and improve family money management practices and communication. Other activities, while designed for families, can also work well as small group activities in which class members play the roles of different family members. And some of the activities simply work best with a couple or family. In such cases, trainers can encourage class participants to do these activities at home with their families and report back on these home experiences. Within many activities we have inserted a “Note to Trainer” section that describes the class setting and composition most amenable for the activity. Of course, creative trainers will probably find many more uses!

Another goal of this book is that an IDA trainer may be inspired by one or more of the activities and offer special family or couple workshops to emphasize the importance of families working together toward their financial goals.

For those organizations interested in fully integrating marriage or family education activities, this Resource Book is also designed to highlight the work of six family and marriage education platforms—Better Together, Money Harmony, PAIRS, Power of Two, PREP, and Survival Skills for Healthy Families. Each platform offers “training of trainers” programs in marriage and family education. So, if you find an activity or methodology you particularly like, look for a ☆ next to the title and look up the author in the Appendix of Contributors.

About the Resource Book

The Activities in this Resource Book are grouped into eight chapters. Chapters 2 through 8 echo the sequence of many financial education programs: asset development, values toward money, goal-setting, budgeting, savings, banking and investment, and credit.

Chapter 1, Money Talk, is a special chapter that addresses how people within a family interact about money. This chapter provides valuable tools and resources to help class participants discuss and work better together with their partners and children. The communication activities set a stage of skills in communicating respect and caring that serve as a basis for the rest of the Resource Book (and for life!)

Chapter 2, Family Assets, demonstrates the importance of asset accumulation over the generations and helps families join together to identify and celebrate the assets within their family.

Chapter 3, Money Values and Attitudes, explores important money styles, money attitudes and how these attitudes are formed. Activities also open the door to sharing money experiences and histories about the meanings we attach to money.

Chapter 4, Family Dreams and Goals, encourages families to set goals together by prioritizing and clarifying their objectives.

Chapter 5, Family Budgeting, helps families make spending and saving choices based on their combined values, goals and available resources.

Chapter 6, Family Savings, provides families with strategies to spend less and save more!

Chapter 7, Banking and Investment, facilitates discussion on banking services and financial issues such as choosing financial institutions, understanding their products and avoiding financial traps.

Chapter 8, Credit and Debt, addresses the risks and responsibilities of joint credit while helping families set guiding principles to help them manage their debt.

As discussed above, the activities within each chapter are not a step-by-step sequence of learning, but rather an offering of ways that couples and families can explore the outlined topics together. Sometimes two activities are similar, at least in part. They are included because there is enough difference in style, methodology, length or complexity to merit inclusion. Other times you might see ways to pair activities. You might find that applying a skill or concept from one activity enhances another. We have noted some of these compatibilities in the “Note to Trainer” section included in most activities.

Using the Resource Book

As you are well aware, financial literacy and money management training often address very sensitive topics for the people that you serve. Adding marriage education and family strengthening could feel even more intrusive and personal for your clients if not approached thoughtfully. Good preparation is often the key to a successful training.

Please take time to peruse the Resource Book and develop a general sense of its content. As you read through each activity, you might want to make notes on the Table of Contents as to where it might fit into your curriculum. This can serve as a handy reference later to refresh your memory about the many possible activities.

If you would like to use an activity in your training program, we just ask that any use or reproduction includes reference to the author. We have included an appropriate footnote on each activity and again on each worksheet to facilitate this.

When you plan to incorporate an activity into your training program, it is always a good idea to do the activity ahead of time, either on your own or—even better—with your partner or family members! This helps you:

- × experience some of the emotions your clients may feel.
- × improve the bonds of trust between you and your students when you say “When I did this, I found that...” or “It was hard for me to ..., but in the end it was really worth it.”
- × recognize where additional information or explanation might be necessary for your particular clients.
- × take the time to adapt activities, examples or language to better suit your specific audience.
- × answer questions about how to do the various parts of the activity.
- × be better prepared to handle expressions of confusion, reluctance, and anxiety.

We also recognize that some of the activities in this resource book, especially in the Money Talk section, can unleash powerful emotions for some participants. If you plan to work with some of these deeper activities, we strongly encourage you to consider training in one of the relationship courses listed above and in the appendix. Each course includes training on how to deal with emotional situations that might arise.

Chapter 1: Money Talk

Chapter 1, Money Talk, addresses how people within a family can improve their interactions about money. This chapter provides valuable tools to help class participants discuss and work better together with their partners and children. The communication activities set a stage of respect and caring that serve as a basis for the rest of the Resource Book.

There are 10 activities in this chapter focusing on family and couple communications:

- × *The ABCs of the XYZ* helps partners address concerns using language that blames less and encourages more.
- × *Parents Stick Together* is a family role-play activity about making joint decisions on how to manage money.
- × *Talking Tips* is a 10-step process for respectfully letting other people know what is bothering you.
- × *Know What You Want, Say What You Want* uses an instructor role play to introduce complaints into specific requests.
- × *Love Letters* asks participants to write letters that explore their feelings about their interactions with their family about money.
- × *Family Money and More Meetings* discusses the importance of regular communication about money in the family and provides six strategies for successful family meetings.
- × *Money Mentoring Team For Kids* asks participants to draw on the knowledge of friends and community members to help educate their children about money matters.
- × *Does Love Equal Money? Love Accounts* explores different ways that partners give and receive love and how different expectations can impact relationships and the family budget.
- × *Men, Women & Money* talks about common myths and some research about how men and women think about and handle money.
- × *Family Charades* both helps participants think about how to explain hard financial concepts to their family and allows the trainer to test class learning on key financial concepts.

1. The ABCs of the XYZ ☆

Objective: Provide a tool for family members to voice their concerns about money in a direct, respectful and productive way.

Time: 45 minutes

Materials:

Practicing XYZ Handout and Forming XYZ Handout

Note to Trainer:

Take the time to really understand the XYZ statement. Also, it would be helpful to have flipchart pages prepared on the parts of an XYZ statement. You are encouraged to simplify language in the examples to better suit your specific audience. For example, many populations might not understand Insults, but be more comfortable with Name Calling or Disrespecting. In some cases, we have provided alternatives, however, please feel free to create your own examples.

Talking Points:

There are times when other people will do things we don't like. If the "other person" is someone who is regularly involved in our lives, then we will likely need to talk to that person about it. Sometimes we have to voice our concerns. However, there are effective ways to talk about concerns, and there are ineffective ways.

Two common but *ineffective* ways to talk about concerns:

1. Insults. When you call someone a nasty name or say something to put them down, that is an insult. For example:
 - a. "You're lazy. You're not even trying to find a job."
 - b. "You never think about anyone but yourself."

The problem with name calling is that it hurts other people, pushing them away instead of bringing them closer. Insulting people tends to cause them to want to defend themselves rather than listen to your concern with a desire to change.

2. Kitchen Sinking. When you lump together a whole bunch of complaints, griping about everything but the kitchen sink, that's Kitchen Sinking. For example:
 - a. I'm fed up with trying to make ends meet, we never do anything fun, and you're always griping at me.
 - b. Well, you're so impatient, you just want, want, want and never do anything to help.

The problem with dumping is that instead of feeling motivated to try to make things better, it creates a sense of hopelessness. People tend to become overwhelmed when hit with many problems at once.

Since no one really likes to hear a gripe or criticism (and most don't enjoy griping or criticizing either!), it can help to have a way to say what we need to say in a direct but respectful way. One constructive technique is called the XYZ statement which explains your concern by breaking down the issue into three different parts. It works like this.

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1. The first part is to state exactly what the person did. For example instead of saying, “You’re so irresponsible.” say, “When you spent that \$20 ...”

You’ll tend to get better results if you choose to focus on one specific item rather than many. And, when you focus on a specific action or behavior, then you have a much better shot at being heard. The other person doesn’t tend to feel like “who they are” is being attacked (and it’s very difficult to change who we *are*) but rather something they did (and it’s easier to change what we *do*).

2. The second part is to say exactly in what situation this specific negative action happened. The more specific you can be about what you didn’t like, the better your chances of getting change in that situation in the future.

So you’d continue your sentence with something like, “When you spent that \$20 yesterday even though we had agreed we would pay for Paul’s shoes ...”

3. The third part is to say how you felt when this specific action happened. It’s important to remember that other people don’t make us feel anything in particular—you are in charge of how you feel. This part shows that you are taking responsibility for your own feelings, and it provides important clues as to what should be done differently next time. For example, if you’re feeling scared, then you need to feel safe; but if you’re feeling uncared for, then you need to feel that the other cares.

So, you’d finish your sentence, “When you spent that \$20 yesterday even though we had agreed we would pay for Paul’s shoes, I felt discouraged that we’d never reach our goals if we don’t stick to our plan.

When you put it all together, it looks like this:

When you do “X” (specific behavior) in situation “Y,” I feel “Z.”

Activity

Ask the class participants to complete the two handouts.

Handout: Practicing the XYZ

The formula for an "XYZ" statement is: When you do "X" (behavior - NOT character trait) in situation "Y", I feel "Z." Circle the best "XYZ" statement in each set.

1. a) You are just plain selfish.
b) I feel hurt when you are so selfish.
c) I feel hurt when you buy a hamburger and don't bring home anything for me.
2. a) I feel like I don't matter when you change our plans without asking me first.
b) You are inconsiderate.
c) I feel like you should be more considerate.
3. a) What do you mean we can't afford to buy that? I can buy it if I want to.
b) I feel that we can afford to buy that.
c) When you tell me that we can't buy something I want, I feel very frustrated.
4. a) I feel like you always gripe when I tell you that I want to save more money.
b) You always gripe whenever I tell you that I want to save more money.
c) I feel hopeless when I tell you that I want to save more money and you start talking about how long it has been since we did something together.
5. a) I hate it when you say you'll "help" with the kids. It's not MY job. The kids are OUR responsibility.
b) When you say you will "help" with the kids, I feel defensive because I think you are saying that the children are my responsibility and I should feel grateful for your help when really I was hoping for teamwork.
c) You make me so mad when you say you'll "help" with the kids when it's not MY job. The kids are OUR responsibility.

Answers:
1. c 2. a 3. c 4. c 5. b

Handout: FORMING "XYZ"

Think about what's wrong with the statements in bold and rewrite them into good "XYZ" statements.

1. You would rather manage the finances on your own than with me.

When you _____

I feel _____

2. I feel like you don't do your fair share.

When you _____

I feel _____

3. I can't trust you anymore.

When you _____

I feel _____

XYZ statements can also be used to tell others what you *like*. Try turning the following into XYZ statements, and see if they become more powerful.

4. I feel like you appreciate everything I do.

When you _____

I feel _____

5. You are very responsible.

When you _____

I feel _____

6. I think you are wonderful!

When you _____

I feel _____

2. Parents Stick Together [☆]

Objective: Practice working together to make decisions about money.

Time: 10 - 15 minutes

Materials:

Write each of these scenarios on a flipchart page or on a blackboard:

Story A: The teen wants to buy fancy jeans and athletic shoes that cost \$75 each. The child maintains that everyone else has them and that his or her social life depends on wearing these items. One parent is against this request, and one parent is for it.

Story B: The child has been saving and now tells the parents that he/she wants to spend all \$100 of this savings on a fairly violent but complex computer video game. One parent is against this request, and one parent is for it.

Note to Trainer:

If you don't have children in your training, ask an adult in each group to play a child or teenager.

Activity:

Ask participants to stand and get in groups of three, with someone to play "dad," someone to play "mom," and someone as an older child or teen. If a couple of the groups have four participants, one participant can be the brother or sister.

Randomly assign group one of the two scenes. Alternatively, you could present both stories and let each group choose one. The first is for families with teens, the second is appropriate for families with younger children.

Ask the groups to spread out around the room and role play the scenario. Groups will be carrying out these role plays simultaneously. Ask the groups to play this scenario out for a few minutes, and then they will receive new instructions.

After two minutes, say, "OK, parents, tell your child to leave the room. Kids, don't really leave – just step back. Now parents, your job is to discuss this request and come to an agreement that you can both live with. Neither of you should give in or dominate the other. After you have made your decision, bring your child back to tell your decision." Monitor the groups.

Group Discussion:

Debrief with the entire group. Keep the emphasis on how people behaved – the process, not the decision. Ask these questions:

- × Kids, what did you do to get your way when your parents were in disagreement?
- × Parents, what did you do when you were in disagreement?
- × Parents, what did you do differently after you had your child leave the room?
- × What decision did you come to?
- × Were the decisions different based on the request – designer jeans or video game?

[☆] Adapted, with permission, from *Survival Skills for Healthy Families*, a family education program developed by Family Wellness Associates. Copyright George Doub 2001.

3. *Talking Tips* ^{*}

Objective: Learn a communication skill to help share, clarify, and resolve issues in the family.

Time: 20 minutes

Materials:

Talking Tips Wheel Handout

Using the Talking Tips: I Want New Sneakers! Handout

Talking Points:

When do we have our most difficult times being with the people who are important to us? When we're upset with them! Something they said, or did not say, hurts us. Something they did, or did not do, angers us. Suddenly, we're lost. We don't know what's going on with them, or where we stand, or what to say, or how to say it. So what finally happens? If we're not careful (and it's not easy to be careful when we're so upset), we do something or say something that makes a bad situation even worse.

Activity:

The Talking Tips method is a simple, 10-step process for talking that you're about to learn.

It offers you the chance to avoid that kind of situation. It's a sensible way of letting other people know what's bothering you.

Present the benefits of the Talking Tips method:

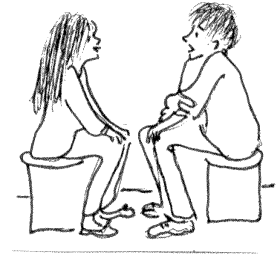
- ◆ It helps you know what to say and how to say it, so that you don't have to suffer in silence.
- ◆ It helps you to express what's bothering you without making the other person feel bad or angry.
- ◆ It helps you to be clear and specific, so that the other person understands the problem better.
- ◆ It helps you realize more about why you are angry, hurt, or frustrated, so that you can get over these feelings and keep them from happening again.
- ◆ It helps the other person to know you better and respect you more, which means that the other person will be more interested in helping you.

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Present how the Talking Tips process works:

Hand out the Talking Tips wheel. Explain that the Talking Tips process takes you through 10 steps to talk about what's bothering you.

- ◆ Explain that each step begins with a different "I" phrase that focuses on just one part of the problem. For example, the first phrase, "I notice...". Using that phrase, participants complete the sentence to fit the situation. "I notice..." is about a noticeable behavior, not an assumed feeling or a thought. Focus on the behavior signals that portray that a certain feeling is there. For example, rather than stating, "I notice you are angry when I'm on the phone..." it would be "I notice that when you see me on the phone you frown and walk away quickly."
- ◆ Let the class know that sometimes several "notice" sentences help to clarify the situation. Speakers can add another sentence or two about what they "notice" before moving on to the next phrase ("I assume..."). Encourage speakers to be as brief and direct as they can. Remember, several other statements are coming up. The most important part of the process is to talk about just one issue at a time, staying with the same problem.
- ◆ Keep moving through the phrases. For the next phrase "I assume this means...", now say what you assume the behavior means. Go through each phrase in order, without skipping a phrase, until the last one ("I hope...").
- ◆ This 10-step approach makes sure that all the important points are spoken, and that the other person has every chance to understand and appreciate all the facets of what is bothering the speaker.



Once the entire 10-step Talking Tips process is explained, go through the example given on the handout *I Want New Sneakers!*

Ask the class to split up into pairs or couples. Ask each pair to come up with a common money complaint in their family. Ask them to develop 10 "I statements" explaining the issue based on the Talking Tips process. Encourage pairs to share their scenarios with the class.

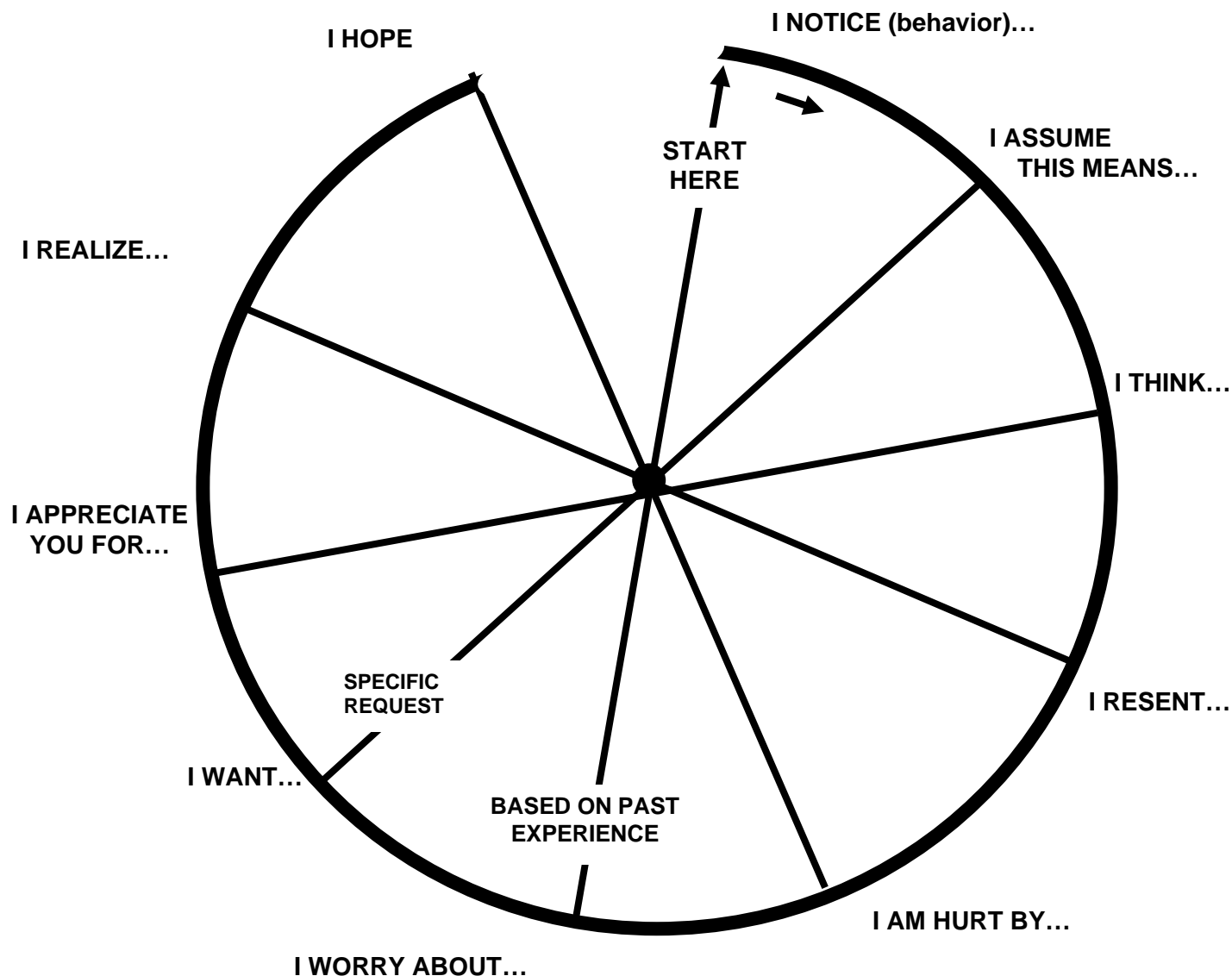
Encourage participants to go home and use the Talking Tips methods with their partner or other family members. Discuss that there are ways that they can prepare for going through the process that will lead to greater success. Go over six actions they can take to help the conversation be successful:

- ◆ Pick a good time to talk. Find a time when you and the other person have at least a half-hour free to do nothing else but talk and listen to each other.
- ◆ Find a good place to talk, somewhere you can have privacy, quiet, and comfort.
- ◆ Tell the other person that you have something you want to talk about. If you want, you can say you want to use a special guide for talking that you think would help.
- ◆ Ask the other person if he or she would be willing to listen to you talk about something--to hear you out--without interrupting. This is very important. Ask if the person would be willing to repeat back to you what they heard you say, without discussion or comment. Tell the other person you'll do the same thing in return after you've finished talking.

- ◆ If the other person agrees to do this, say that you will let him or her know when you have completed what you wanted to say.
- ◆ A great feature of the Talking Tips is that you can, if you want, plan ahead of time what you would like to say and use the same format to write it out until you are clear what you feel and what you want to say.

TALKING TIPS

TO AVOID MISUNDERSTANDINGS



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Handout: Using the Talking Tips: I Want New Sneakers!

1. I NOTICE... (Say the specific behavior that is bothering you).
Example: I notice that you won't buy me those New Balance sneakers I want.
2. I ASSUME THIS MEANS... (Say what you assume is the reason for this behavior).
Example: "I assume this means you think they cost too much."
3. I THINK... (Say your reason -- your logic -- for doing what you do, or wanting what you want).
Example: "I think they are good shoes and will last a long time."
4. I RESENT... (Say what makes you upset about the other person's behavior).
Example: "I resent that you bought my sister a new dress but won't get these sneakers for me."
5. I AM HURT BY... (Say what hurts you about the other person's behavior).
Example: "I am hurt by the kids at school making fun of my old shoes."
6. WORRY ABOUT... (Say what about this behavior concerns you).
Example: "I worry about fitting in with my friends if I look stupid."
7. I WANT... (Say something specific that you want the other person to do, instead of doing the thing that's bothering you.)
Example: "I want to ask if I can do something like extra chores around the house so I could earn enough to pay for half the price of the sneakers, and then you would agree to pay the other half."
8. I APPRECIATE... (Say something that shows that you value the other person and respect his or her rights.)
Example: "I appreciate you and Dad working so hard since we moved here."
9. I REALIZE... (Say something that shows you can understand why they may be behaving the way they are.)
Example: "I realize this may not seem important to you, but it is very important to me."
10. I HOPE... (Say what you hope will happen as a result of this talk.)
Example: "I hope we can figure out how I can get some cool sneakers."

4. Know What You Want, Say What You Want [☆]

Objective: Improve money communication by turning complaints into requests.

Time: 35 minutes

Note to Trainer:

This activity has the potential to create real discussion of family issues. Therefore, it is good if the class already has some experience with problem-solving or conflict resolution techniques like the two preceding activities: ABC's of XYZ or Talking Tips.

Activity:

Without much introduction, two instructors or the instructor and an aide present the following role play.

ROLE PLAY: Money Complaints

Charniece: You never help me around here. I've been to work, made dinner, and put the kids to bed. Here you are watching the football game again. What good are you?

Bruce: [He looks into space, avoiding her] I do plenty. And I work hard to pay for dinner. All you do is complain. You're just like my mother!

FREEZE. One trainer says, "If you know and say what you really want, you're more likely to get it."

Ask the class if this scene sounds familiar. Explain that people often tell their partners or other family members about something that is bothering them by accusing or complaining. It's normal. We all do it. But it is not very effective in changing behavior. It more often causes arguments and hurt feelings. So, we are going to talk about how to know what you want, say what you want, and get what you want. Well, you will not always get what you want, but you will increase your chances of it!

However, some people have a hard time making requests. It may be a part of a shy or quiet personality. Some women have been brought up to put the needs of others first and to not focus on themselves. Some men have been brought up to give orders rather than make requests. Even if it is hard for someone to make requests, it is an important communication skill to practice and develop. We can't expect others to always know what we are wanting and thinking, and most people don't like to be ordered around.

Talk with the class about what a request sounds like. Most people start a request with "Could you....?" "Would you...?", "Please, ...", "I want you to", or "I request..."

Here are some examples of turning a complaint into a request:

<u>Complaint</u>	<u>Request</u>
You never give me enough money for groceries!	Could we sit down tonight and go over our grocery bills?
Why is it always me who puts gas in the car!?	I request that we alternate each month putting gas in the car.

[☆] Adapted, with permission, from *Better Together* of The Marriage Coalition. Copyright The Marriage Coalition 2003.

You spend far too much money on your hair and nails! We just can't afford it!	I need us to talk about how much we can afford for personal expenses.
---	---

Notice that requests are for very specific, clear behaviors or actions. Saying what you don't want or giving vague generalizations about being more helpful or responsible does not give the other person enough information to know what you want them to do. Instructors, coach participants to clarify exactly what they want the other person to do. This may take a little work as sometimes people are not clear about just what they do want.

Step 1: What are some frequent complaints in your family? As a class write five frequent complaints on a flip chart.

Step 2: How can we turn these into a request? As a class, turn each complaint into a specific request.

Step 3: Add one more layer if the class really seems to get this. Explain that often requests are stronger if you can add an explanation about how you would feel if your request were fulfilled and why it is important to you. For example, "Could we sit down tonight and go over our grocery bills? I'm running out of grocery money each month. I'm really worried about this because I want to stick with our budget, and I'm having trouble doing it." Go back over the examples, and add some possible feelings and reasons for each request".

5. Love Letters [☆]

Objective: Explore feelings about money and partners' actions and to understand partners' feelings and actions.

Time: 15 minutes

Materials:

2 pages of nice paper for letter writing for each participant
Rita's Money Love Letter Handout

Activity:

Explain that participants will write a "Love Letter" to their partner or child or parent, discussing their feelings about money, spending, budgeting, and control. Let participants know that they are writing these letters to themselves. When they are done, they have the option to share their love letters with their partners or just rip them up. The activity is meant to help them explore their own money feelings with respect to their partners and let them put themselves in their partner's shoes.

Each short letter will have six sections:

1. A Warm Start. Open the letter with a positive comment or something you appreciate about the person.
2. Anger. Talk about what is bothering you. What did your partner do that you feel mad, hurt or frustrated?
3. Doubt. How does the situation lead you to feel worried or anxious?
4. Hope. How do you wish the situation had been handled? How would you like to handle similar situations in the future?
5. Regret. Do you have anything you would like to apologize for about the situation?
6. Love. End the letter the way you started it – with a positive comment about something you appreciate about the person.

Read the pair of letters written by "Rita" as an example for the class. You can also provide it as a handout for reference.

Ask the participants to think for a moment about a recent or current money issue and to write a short love letter. Give participants 5-7 minutes to write the letter.

Now, ask them to write another letter, in response to their own letter, pretending to be the person they just wrote. This is an opportunity to write the "perfect response"—how they would like their loved one to respond to their confession.

[☆] Adapted, with permission, from *Money Harmony* and *Overcoming Overspending* by Olivia Mellan. Copyright Olivia Mellan 1995. Based on the work of John Gray, author of *Men are from Mars, Women are from Venus*.

Handout: Rita's Money Love Letters

Dear Enrique,

I love you, and I want the best for us. However, I feel angry that you purchased a new television without consulting me. I am disappointed that you didn't trust me enough to let me join you in deciding what to do with our money. I worry that if you refuse to let me participate in managing our money, we won't be a real team working toward our goals. I wish you'd given us the chance to make sensible money decisions together. I love you. I respect your strength and knowledge.

Love, Rita

Also written by Rita:

Dear Rita,

You are a great wife, and I didn't mean to hurt you when I bought the new TV. I thought it would be a surprise, but I can see now that it made you feel neglected and like you weren't trusted and part of our team. I promise to talk to you and to decide major purchases together in the future. Thanks for reminding me that we are in this together.

Love, Enrique

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6. Family Money and More Meetings

Objective: Encourage families to have regular family money meetings to improve their money management and to teach children good money management skills.

Time: 20 minutes

Materials:

Paper and pens for families to write their agreements

Note to Trainer:

This activity is designed to help families and couples hold their first “Money Meeting” in class. If you do not hold family workshops, you may want to create a role play scenario to practice the activity.

Talking Points:

Where do children learn how to handle money? Often, it is from their parents. The best way you can help your children become good money managers is by managing your own money well and then talking with your children about how you do that. A good way to ensure that your family communicates about money is to get together and talk about it. Many families find it helpful to schedule a regular time to gather and talk about important issues. While many of these issues will relate to money, it is also good to be open to non-financial topics.

Go over six strategies to help make family meetings a success:

1. Set an agenda. Ask family members ahead of time about issues they are dealing with and then list the items for discussion.
2. Stick to the subject. Once you pick a subject for discussion, talk about it. Money can be an especially hard topic to talk about because it often relates to so many other issues and conflicting feelings. So, if family members get off or change the subject, create a signal to politely try to bring them back to topic.
3. Encourage family members to use “I” statements instead of “You” statements. When people discuss using terms like “I feel” or “I think,” it is often less threatening and assumes less blame than “You said” and “You did” statements.
4. Listen to understand one another. A good technique to show that you listened and understood each other is to repeat or paraphrase the speaker’s message. For example, before stating how you feel about the situation, start with “What I heard you say is....”
5. Aim for a consensus. Once you have discussed an issue, see if you can work towards a general agreement that everyone can live with. Remember, this may often require that family members compromise their wants for the good of the family.
6. Document the solution. Once a problem has been solved, write down the agreement. This way you can make sure everyone has the same understanding and that it is not forgotten. You may also want to document compromises that family members made, in order to ensure equality over the long run.

Activity:

Hold a couple or family meeting for 10 minutes to practice these strategies. Ask families or small groups to choose an issue around money that is not very serious or divisive so you can practice the skills without getting too upset.

Group Discussion:

- × Do you think that your family could benefit from having regular money meetings?
- × How could you propose this idea to your family to get the best reaction?

7. Money-Mentoring Team for Kids [☆]

Objective: Develop family support teams to augment parents' money management training of their children

Time: 20 minutes

Note to Trainer:

This activity would also work well for couples who would like their own mentoring team.

Talking Points:

A money-mentoring team can be a good way to help children learn more about good money management. A money-mentoring team is made up of friends and family who are willing to spend time with their children and discuss money issues from different perspectives. To create a money-mentoring team for their children, the family will barter their own talents and services in exchange for this assistance. Every family will create a different team. One family might organize its best friend, a grandparent, its banker, maybe an aunt and a co-worker on the team. Another family could recruit a father, a coworker, and/or a favorite teacher. Whatever the particular make-up, the idea is to create an extended family of money mentors who will, over time, reinforce key values and expectations, offer a cumulative set of money skill-building experiences, and take the pressure off parents as the only source of their children's financial education.

Activity:

Ask each participant, couple, or family to brainstorm for five minutes for names of family and friends who they feel have good knowledge about money. Then, ask them to choose three to five people to ask to be money mentors for their children. They will be asking these money mentors to spend a couple of afternoons a year with their children, taking them places and explaining things about earning, spending, and saving money. Note that a team of three can translate into 6-9 days of money talk a year for kids.

You can stimulate their brainstorming by asking questions such as:

- Do you have a friend who works at a bank?
- Do you know anyone who works in mortgage loans or commercial credit?
- Do you know a real estate agent that can take your teenager for an afternoon to visit a house that is being sold and talk about how the mortgage process works?
- Who are some successful entrepreneurs or business owners you know --- would they talk about their life choices with your kids?
- Do you have friends in the nonprofit sector who could talk about the value of giving and donating money?

Stop the brainstorming and ask for some sharing of ideas.

Now ask each couple or family to brainstorm services they could offer their money mentors in return. Examples include babysitting, car washes, or a cooked and delivered supper.

Stop the brainstorming and ask for some sharing of these ideas.

[☆] Adapted, with permission, from *Making the Team Work*. www.independentmeans.com and www.DollarDiva.com.

Request that each participant, couple, or family go home and set up their money-mentoring team this month. Ask them to make a plan with at least one team member for a mentoring session and return service by the family.

8. *Does Love Equal Money? Love Accounts* [☆]

Objective: Understand how different people have different ways of giving and receiving love and how expectations can impact relationships and the money purse strings.

Time: 35 minutes

Materials:

Love Accounts Tables

Blank hearts

Pens or markers

Note to Trainer:

This is a very informative and powerful activity that can be done with one or both partners.

Talking Points:

It is often clear that people both give and receive love in different ways. For example, your partner may be a doer and wake up early to make you breakfast. However, you feel loved when you are taken to a restaurant. You may buy your partner a gift, but he would feel more loved if you would make more time for him. Taking account of how each partner or family member in a relationship expresses and shows love is important. This is especially important since expressions of love often require spending money. This activity will help you understand your current love account patterns and help you think of less costly ways you and your partner can share your love.

Activity:

Step 1: Ask the class to spend five minutes filling out the “Love Thing” column in the **Love Accounts** table on the handout.

Step 2: Ask the class: Was it easy or hard to come up with items for this list? What does that mean to you?

Step 3: Ask the class to review the list and circle the items where your primary motivation was to show love. For example, if you listed “I cooked a certain meal for my partner,” circle the item only if you wouldn’t have cooked the same way for yourself.

Step 4: Ask the class to put a \$ next to each item which required spending money. Put the \$ only if the item required spending additional money to express love. For example, if you spent money on ingredients for dinner, you would have eaten dinner anyway – unless you bought expensive steak so, you would not circle this item.

Step 5: Now ask the class to fill out the “Love Thing” column on the **When Do I Feel Loved** chart. This time they list ten things their partner has done in the last month that conveyed love most powerfully to them. Let the class know that if it is tough to think of ten things that your partner did, that’s pretty normal. The point is to learn to pay attention to your relationship.

Step 6: Present the Six Love Accounts to the class:

[☆] Adapted, with permission, from PREP Education Products, Inc., and *You Paid How Much For That?!* Copyright PREP Educational Products 2002. Based on Gary Chapman’s categories in *The Five Love Languages*.

While the *number* of loving things you do for your partner matters, it's not the only thing that matters. There are six ways that partners often express love to their partner:

Action... "I feel loved when you do something for me."

Touch... "I feel loved when you touch me."

Gifts... "I feel loved when you give me something."

Affirmation... "I feel loved when you tell me I'm wonderful."

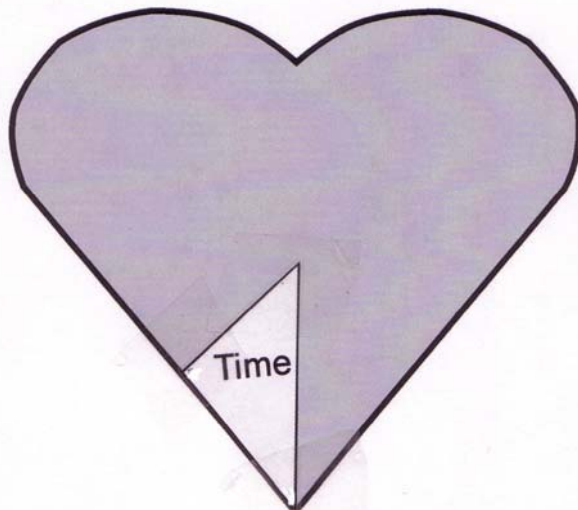
Spend Time... "I feel loved when you spend time with me."

Talk... "I feel loved when you talk with me."

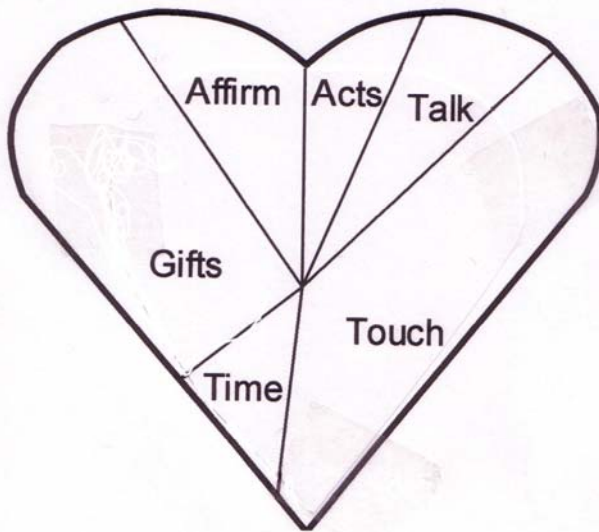
Step 7: Ask participants to mark in the "Love Account" column next to each item in the two tables which of the six Love Accounts categories the item best falls into. (While some may fit in more than one, try to minimize multiple categories)

Step 8: Introduce the Love Accounts Heart

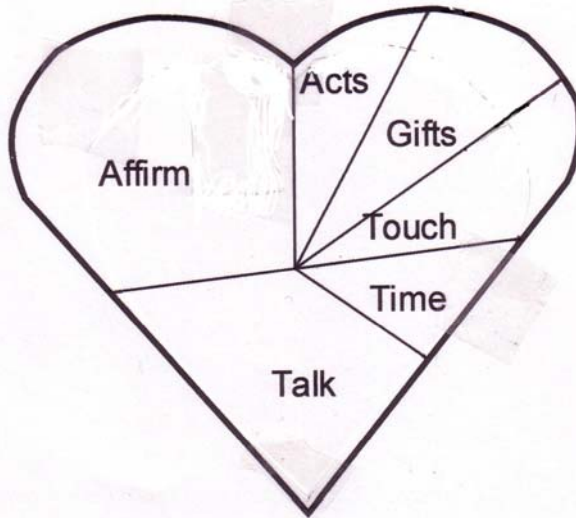
Everyone needs a balance of all six of these different ways of showing and experiencing love, and different people need different amounts. What's also important is that you learn to show love in different ways, according to what means the most to your partner. For example, Amanda's husband loves her deeply, and he shows her his love by spending time with her. However, a picture of Amanda's heart (drawn below) illustrates that she feels mostly empty even though her husband spends a good chunk of time with her.



Below, Paul's heart shows that he experiences love primarily through physical touch and receiving gifts. He needs some acts of kindness from his wife, a few "You're handsome" statements, a little talking, and a bit of time; but those are all small potatoes compared to physical touch and receiving gifts.



When we look into Jackie's heart, we see that talk and being affirmed (being told how special and wonderful she is) is more important to her than receiving gifts, having her husband do things for her, spending time together, or physical touch, though all of those are important. The absence of any one type of love would leave a gaping hole in Jackie's heart. Yet her husband would be a wise man to affirm her often and spend time talking with her.



Step 8: Now that students have the idea, it's their turn. (If your partner is doing this activity too, please complete this on your own first, then compare. It will be more fun that way!)

Based on their categorization, ask participants to answer the following questions:

- How do you show love?
- How do you want to receive love?
- In what ways is money involved?

Now, ask participants to share lists with their partner.

- How does their partner express love?
- Is this how you like to receive love?

When does your partner feel most loved?
Is this how you often express your love?
In what ways is money involved?

Handout: Love Accounts

List ten things you have done in the last month to convey love to your partner:

	Love Thing	Love Account	\$
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

How Do I Feel Loved?

List below ten things your partner has done in the last month that conveyed love most powerfully to you. This is not about things you appreciate or know are good for you and your family.

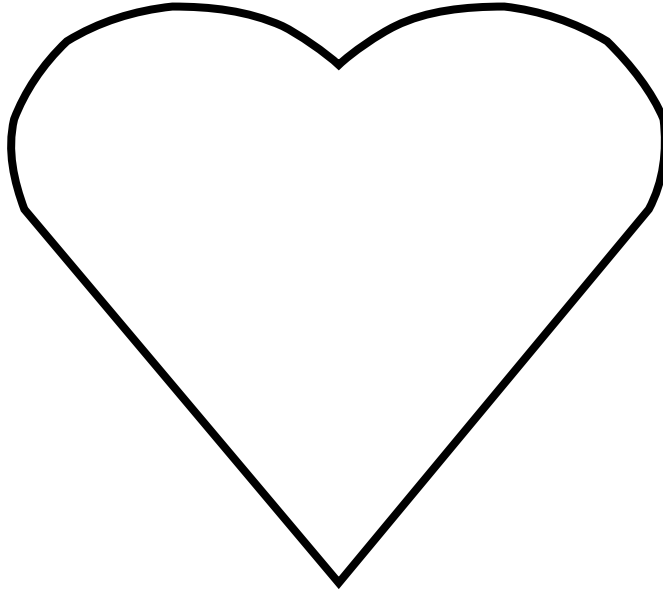
	Love Thing	Love Account	\$
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

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Handout: Love Accounts Heart

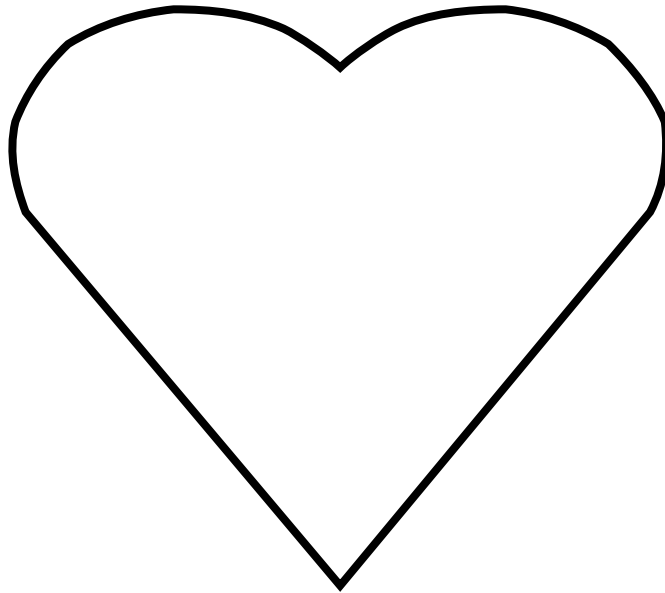
Heart # 1:

Divide up the heart to show what kinds of love affect you most.



Heart # 2:

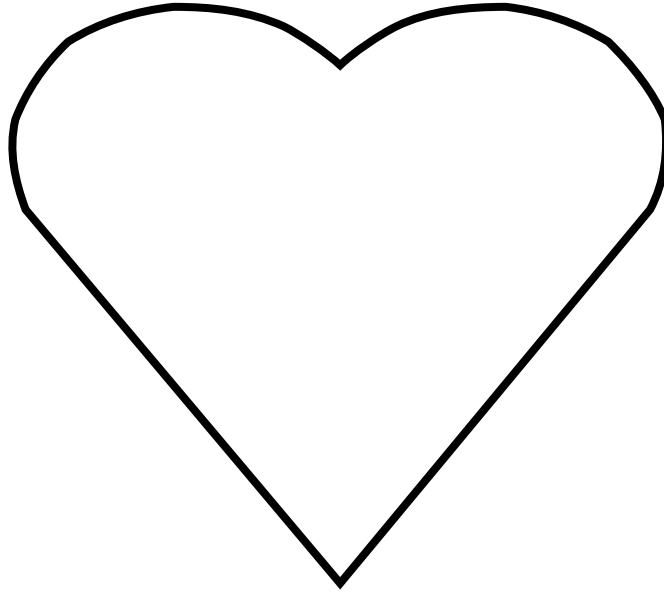
Divide up the heart to show the ways your partner loves you. In other words, what does he or she do?



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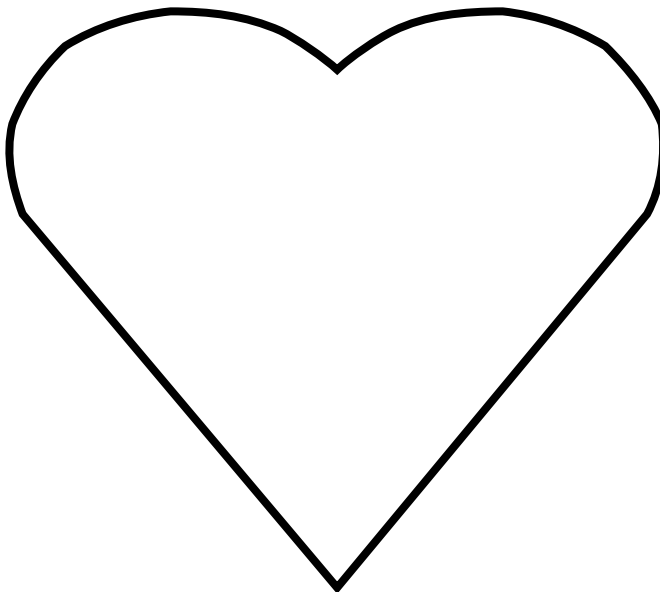
Heart # 3:

Divide up the heart to show what you think affects your partner most.



Heart # 4:

Divide up the heart to show the ways you show love to your partner. In other words, what do you do?



9. Men, Women & Money [☆]

Objective: Help participants become aware of differences between the genders in their approaches to money.

Time: 20 minutes

Materials:

Men, Women, and Money Handout

Talking Points:

We often hear, “Men are this way, and women are that way.” Stereotypes about men and women exist across many issues, including money.

Activity:

Ask the class to brainstorm on some of the things we say about the differences between women and men when it comes to money. Lead a lively brainstorm on this question, writing down ideas on a flipchart.

Then say, “But what’s true and what’s the hype in what we’ve said? Are there proven differences between how men and women think about and handle money?”

Research shows that there are some differences in how men and women tend to approach money. However, it’s important to note that when researchers talk about differences between groups of people like “men” and “women,” they are talking averages. They’re talking about differences that tend to be true for many people, but there will be lots of exceptions. You may or may not behave or think like many people of your gender. There are far more differences between individuals in how they think and act than can be explained by just knowing the sex of the individual. Nevertheless, while there are differences *within* each gender, there are real differences *between* the genders as well.

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For example, research has shown that in America:

- × Women tend to shop more than men.
- × Men seem to be less willing to seek professional advice regarding finances than women.
- × Women tend to teach their sons more about money than their daughters.
- × Men tend to earn more money than women.
- × Women save less of their income than men.
- × Men are somewhat more interested in taking financial risks than women.

Distribute the handout, and ask the men to gather into one group and the women in another (split groups if they have more than 4 or 5 people). Ask each group to select someone to be the “reporter” and to write down the group’s responses. Ask the groups to discuss each general statement, using the following questions:

- × How does reading this statement make you feel?
- × Does the statement surprise you? Do you think it is true?
- × In which cases are you and your partner similar to “the average” and in which cases are you and your partner different?
- × How have your differences been a source of difficulties? And advantage?

End this activity with group reporting and further discussion. Be sure that differences are validated and that the advantages of differences are brought out. End on a positive note.

Handout: Men, Women, & Money

1. Women tend to shop more than men.
2. Men seem to be less willing to seek professional advice regarding finances than women.
3. Women tend to teach their sons more about money than their daughters.
4. Men tend to earn more money than women.
5. Women save less of their income than men.
6. Men are somewhat more interested in taking financial risks than women.

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10. Family Charades

Objective: Test class participants on their financial knowledge in a fun and interactive way that also gives participants the tools to discuss these hard concepts with their children and other family members.

Time: 20 minutes

Materials: Typed scenarios of money-related issues in an envelope, hat, or basket

Note to Trainer:

This is a great activity for later classes to test the knowledge of class participants on the financial subjects you have covered in previous classes. Based on the topics and learning in your financial education course, write down 10 scenarios which participants might struggle to explain simply to their child. Some examples of scenarios include:

- × How \$100 in monthly debt reduces your buying power for a house by \$10,000.
- × How saving for a house might mean not being able to buy your child something he or she really wants.
- × How to balance a check book with a bank statement every month.
- × How compound interest works.
- × How different kinds of checking and savings accounts work.
- × How credit works.

Activity:

Divide the participants into pairs. Ask each pair to take a scenario out of the envelope/hat/basket. Give each pair five minutes to work out how they would creatively explain the issue to a 12-year-old child.

Ask each pair to act out their explanation, with one partner acting as the adult or parent and the other as the 12-year-old child.

Group Discussion:

- × How easy was it to explain the concept you chose? What makes it complicated?
- × How did you feel as a 12-year-old child when your parents took the time to explain money matters to you?

Chapter 2: Family Assets

Chapter 2, Family Assets, demonstrates the importance of asset accumulation over the generations and helps families join together to identify and celebrate the assets within their family.

There are six activities in this chapter:

- × *Family Assets Collage* gives families an opportunity to work together and rejoice in each others' assets.
- × *Family Asset Tree* shows how assets are developed and passed through generations.
- × *First Asset Goal* asks people to share their first experience when they bought something for themselves.
- × *Where's the Strength in Your Family?* is an arm-wrestling game to demonstrate the power of working as a financial team.
- × *Filling the Family Resource Box* is a reminder of how everyone has a role in contributing to strengthening families and family resources.
- × *Sunshine or Storms?* lets people take stock of the sunshine or positive resources that they are bringing into the home.

11. Family Assets Collage

Objective:

Families work together to identify their assets and represent them in a concrete format.

Time: 50 minutes (over two class sessions) to create collage in class

Materials: Poster board, scissors, and glue for each family

It is also suggested that the trainer create her or his own Family Asset Collage to show when presenting this activity.

Note to Trainers:

This activity requires time in at least two separate class sessions since participants will need time to collect and bring in their own photos, pictures, and small objects representing family assets. During the first class, you will want to introduce the concept of assets—both financial and non-financial assets—and explain the purpose and logistics of creating a Family Assets Collage. Then, depending on how much class time you want to devote to this activity, you can either send people home to collect photos, pictures, etc., and bring them back to the following class to make the collage; OR you can assign the making of the collage to be done at home. The second scenario is nice if families don't attend the classes together. In either scenario, encourage participants to have the entire family participate in collecting the asset pictures.

This activity will probably take 10 minutes in the first class to introduce the concepts and the activity. In the follow-up class, set aside 20 minutes to create the collages and 20 minutes for families to discuss their displays. Alternatively, collages can be created at home and participants could spend class time presenting their work. You can designate 20 minutes in the follow-up class or spread this out over several follow-up classes, asking one or two families to present their collages each class.

Think about hosting a special Family IDA Asset training workshop! You can ask families to come to the workshop prepared with the asset photos to make their collages.

Activity:

Session One: Lead a class discussion on assets. Ask the class participants to define assets. Ask them to brainstorm a list of assets. Analyze the list. Discuss how assets are things that people have with value; that some assets may have a clear dollar value, like a home, a car and even the IDA savings account; that other assets may not have a price tag, but can be valuable. Examples of nonfinancial assets are family, skills, education, work ethic, etc. Nonfinancial assets are often very valuable in helping obtain financial assets.

Let them rejoice in the assets they own and think about new assets they hope to achieve. Introduce how making a display of their assets is a fun and helpful way to take stock of the positive things in their family's life. It is also an activity they can continue to create and expand with their family over the years.

Ask families to create a Family Asset Display, either during this class or at home before the next class. Ask that each participant works with his or her family to draw or collect pictures, take photos of family assets, or find small objects to represent the assets. Have each family spend time thinking about and collecting representations of their assets for a collage before the next class.

You can also encourage the families to be creative and find a format that works best for them. While a collage can be a nice format to put on a wall or on the fridge, families may also find other ways to display their assets. For example, to make a mobile doesn't take much extra work, just a few extra materials such as wire clothes hangers or paper clips as well as string or yarn. Another fun format is a photo album or asset book. This is also nice because families can continue to add pages as they accumulate new assets like their IDA savings goal!

Follow-up Session(s)

If you will have participants create the collages in class, give families about 20 minutes to put together their collages. After they have done their collage, ask families to show and explain their finished products to the class. Ask them to describe why each element is an important asset to their family. Encourage them to go back and add some of the stories to their display.

Also, encourage families to leave space on their collage for new assets they obtain particularly the IDA asset they are saving for!

12. Family Asset Tree

Objective: Introduce the concept of assets and how they are developed over time.

Time: 30 minutes

Materials: Family Asset Tree Handout (2 pages)

Talking Points:

Introduce the concept of assets—both financial and nonfinancial assets. Have a discussion about how assets are accumulated over time and through generations.

Activity:

Distribute the Asset Tree Handout to the class. Ask participants to fill in the tree by writing their answers to the questions for each generation on the corresponding section of the tree. For example, for each generation they can write the assets on the left and how their family acquired the assets on the right. At the end, they will have a nice list of their family's assets through the generations, starting from the roots. Give participants 10 minutes to fill in their trees.

Break the class into small groups to share the story of their trees with each other for about 10 minutes. If families or couples are in the class, ask them to join the same group.

Group Discussion:

- × What did they learn about other family or group members?
- × What are some similarities or differences among group members' trees?
- × Which historical events (i.e., wars, migration patterns, changes in law, and social or economic transformations) influence similarities or differences?
- × How do differences of race, ethnicity, age, or gender affect the stories?
- × How do you expect the stories to continue for the next generation?
- × How did the group members feel while discussing their own assets or lack of assets?
- × What kinds of assets are represented by the members of your group?
- × Which assets are not owned by the group members?
- × What kinds of assets do you see on a daily basis?
- × Does your group value some assets more than others?
- × How does having assets make it easier to accumulate more assets?

Handout: Family Asset Tree

The Roots: Your Grandparents

What kinds of assets did your grandparents have?

How did they obtain these assets?

How did the experiences of earlier generations affect your grandparents?

The Trunk: Your Parents

What kinds of assets did your parents have?

How did they obtain these assets?

How did your grandparents' assets (or lack of assets) affect your parents' ability to build assets?

The Branches: Yourself

How did your family's economic situation affect you, your goals, your education, and your expectations of work and assets?

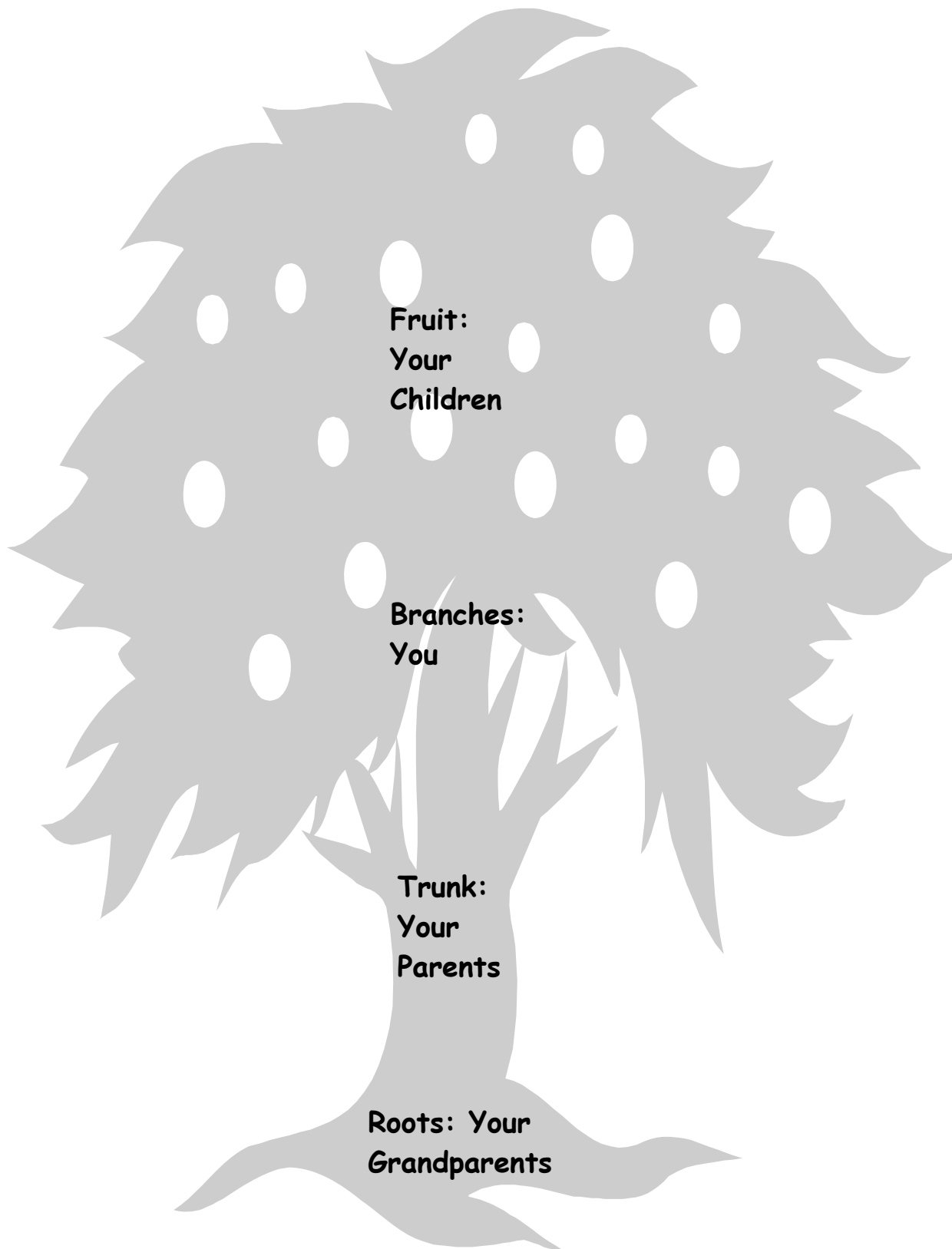
What assets do you have?

What assets will you contribute to the next generation?

The Fruit: Your Children

How will your family's economic situation affect your children, their goals, their education and their expectations?

What assets will they have?



Fruit:
Your
Children

Branches:
You

Trunk:
Your
Parents

Roots: Your
Grandparents

Asset Tree

13. First Asset Goal

Objective: Demonstrate the importance of saving for what you want.

Time: 40 minutes

Materials:

One large sheet of paper (i.e., flip chart paper) for each participant

Multi-colored markers that participants can share

Masking tape

Note to Trainer:

Setup the room with a flip chart page for each participant taped around the walls of the classroom at a height where people can draw and write on them.

Write the following three questions up on a flipchart or blackboard:

1. What was the first big purchase you remember buying with your own money?
2. How old were you?
3. How did you earn or save the money?

It is helpful as the trainer to prepare a sheet with your first asset goal to present to the class as an example. Across the top, write down the asset you purchased, for example, blue bicycle. Now draw a big line down the middle of the page. On the left draw a picture of the asset. Write down how old you were under the asset you purchased. Now, on the right half of the page, draw a picture of how you earned or saved the money. Maybe you earned the money from your first part-time job (i.e., babysitting, mowing lawns, delivering newspapers). Maybe you saved your allowance in a piggy bank or bank account. Or maybe you remember not spending money on other things, like clothes. You could represent this by drawing a shirt with a big X through it.

This is also a great introductory activity for microenterprise training.

Talking Points:

Many of us have fond memories of the first time we bought something for ourselves –something we really wanted and something we saved to buy. In addition, this experience was often associated with our first job or first entrepreneurial experience as we found creative ways to earn the money we needed to purchase the asset.

Do people know their partner or parents' first income-earning experience? We are going to spend a couple of minutes revisiting those memories of the first time we saved and bought something for ourselves!

Activity:

Show the class the page picturing your first asset purchase. Describe your first purchase with enthusiasm. Show the class what you bought, how old you were, and how you saved or earned the money.

Ask each person in the class to take a marker and go to one of the sheets taped to the walls around the classroom. Ask each participant to create a depiction of their first asset purchase. Have them write the asset at the top and draw a line down the middle of the page. On the left hand side, ask them to draw the first asset they bought for themselves. Ask them to write their age under the

asset. Now, on the right side of the page, ask them to draw or describe what they did to save the money: Did they find a job or stop buying or doing other things in order to save the money? Give participants about 5 minutes to think about their first asset purchase and to draw their first asset purchase on the paper and draw what they did to earn the money.

Have participants tell the other class members about their first savings achievements.

Group Discussion:

- × Where did you earn the money to save?
- × How long did it take you to save for the asset before you bought it?
- × How did you feel about working hard to buy this asset?
- × Where did you save your money? (i.e., Piggy Bank, Bank Account)
- × What are some obstacles or competing priorities you remember that made it difficult to save?

14. Where's the Strength in Your Family? [☆]

Objective: Demonstrate that a family working together as a team can accomplish and save more.

Time: 5-10 minutes

Materials:

A fistful of play \$100 bills

Note to Trainer:

When introducing this activity, it is better not to talk about teamwork but to talk in terms of “who wants to learn how to make more money!” The fun part of the activity is seeing the class participants figure out the “trick.”

Activity:

Ask two couples to come to the front to learn how to make more money by arm wrestling. Set up chairs at a table (or the corner of a table) so they can sit face to face and put their elbows on the table in a typical arm wrestling position.

Explain the rules of the game:

Every time the man wins (makes her hand touch the table), he'll get \$100. Every time the woman wins (makes his hand touch the table), she will get \$200. Ask if there are any questions? Give the couple one minute to earn as much money as they can.

OK, contestants, GO! Create and keep high energy here. Yell encouragement to the men, then the women. Encourage others in the class to yell, too. Whip down the bills as individuals win them.

At some point, the contestants will discover that allowing the woman to win quickly, over and over, can greatly increase their earnings. Using two couples to arm wrestle at the same time increases the competition and also the chance of this discovery. If the couples do not discover this on their own, ask the group if they see how the couple could earn more money. If no one discovers this, whisper the message in one couples' ears and let them demonstrate.

[☆] Adapted, with permission, from *Better Together* of The Marriage Coalition. Copyright The Marriage Coalition 2003.

Group Discussion:

- × Did it take long for couples to work as a team?
- × What did participants learn about themselves during this activity?
- × How does this activity relate to money management with your partner or family members?
- × How can participants work better with their family or partner as a team to increase family wealth? Ask people to give specific examples.

Concluding Talking Points:

It takes a committed couple or family to trust each other to share money and to make this team work. If not, you will be more worried about protecting your own interests. In real life, families and couples who pool their resources accumulate more wealth.

15. Filling the Family Resource Box ☆

Objective: Identify and appreciate the assets that each member contributes

Time: 10 - 15 minutes

Materials:

A box for each couple or family (shoe box or comparable size)

Slips of colored paper and pens

Note to Trainer:

If you have time, you can cover the boxes ahead of time to look more attractive.

Talking Points:

Discuss how we all take from our family's resources for breakfast, bus money, attention, help, and so on. And we all must keep putting resources into it. It is important for everyone in a family to bring good things home. This does not just mean money and things. We don't mean that kids need to go out and get a job. Family members contribute many different kinds of resources. Everyday, each of us can contribute many small things that make it nice to be together. For example, think about giving a smile, a thank you, a flower, a helpful attitude, a helpful act, or a chore. Contributing your good feelings helps the family. Sometimes, you may think that what you do and how you act in a family doesn't make much difference, but it does.

Activity:

Hold up a family box and ask each person to imagine it contains all their family's resources: home, car, money, food, hugs, cooperation, fun together, and so on.

Ask the couples or families to take a few moments to begin thinking of resources of all kinds that they individually put into the family's resource box. Have them write words or draw pictures on colored slips of paper. Then, they take turns naming their contributions and putting their papers in the box. They should keep the turns going, offering appreciative responses to each other's contributions, helping others generate ideas, reminding each other to write or draw and put it in the box. They should be sure that every person appreciates every other person in the family for at least one contribution. Encourage families to do this activity again from time to time.

☆ Adapted, with permission, from *Survival Skills for Healthy Families*, a family education program developed by Family Wellness Associates. Copyright George Doub 2001.

16. Sunshine or Storms? *

Objective: Help the family bring more sunshine and good feelings into to the household.

Time: 10 minutes

Materials: Sunshine or Storms? Handout

Talking Points:

Every home has a climate. Some households feel cloudy, with frequent storms. Other homes feel radiant with sunshine. The good news is that, like the sun outside, sunshine inside your home is free!

Activity:

Ask the class to think about the following two questions:

How often per week do you find yourself storming? _____

How often do cold tensions cool off your home? _____

Pass out the handout and have the participants spend 5 minutes completing the form.

Group Discussion:

- × What are some ways you can increase the Sunshine in your homes?
- × What are some benefits of Sunshine?

* Adapted, with permission from the *Power of Two Marriage Skills Workshops* by Heitler and Hirsch. See www.PowerOfTwo.org.

Handout: Sunshine or Storms?

Remembering that the best things in life are free, fill in the chart below to assess how much sunshine fills your home.

Way of expressing sunshine	Him: Number of times per week	Her: Number of times per week
Initiate a hug.		
Agree with something your spouse has said.		
Pitch in and help with chores without being asked.		
Express admiration (e.g., I like that color on you).		
Express thanks for something your spouse has done.		
Smile.		
Be playful.		
Declare your love.		
Put money aside for a rainy day or a special gift for your loved one(s).		
Offer to take on financial chores, such as paying bills.		
Discuss a personal dilemma (medical, emotional, situational).		
Share about your day, discussing issues on your mind.		
Set aside time to be together.		
Inquire about something of importance to your spouse.		

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Chapter 3: Money Values and Attitudes

Chapter 3, Money Values and Attitudes, explores important money styles, money attitudes, and how these attitudes are formed. Activities also open the door to sharing money experiences and histories about the meanings we attach to money.

10 different activities help people understand their relationship with money:

- × *Values Auction* is a lively activity that encourages people to prioritize their values by asking them to bid for values against others in the class.
- × *Values Pyramid* is a nice add-on to the *Values Auction* in which couples and families can work together to identify their joint values.
- × *Money Myths* explores some common myths about money and how these myths can affect our money behavior.
- × *Revolving Ledger* is an interactive game suggesting how past experiences can add up and impact our future money decisions and attitudes.
- × *Opinions about Money* is an ice breaker that can encourage large groups to talk about their money beliefs.
- × *Sharing Your Money History* delves into money messages we have received from our parents and community.
- × *Uncovering the Meaning of Money* asks participants to define what money is to them.
- × *Money in Your Family of Origin* prompts families to share their money experiences and histories and to think about the impact of their money attitudes on their children.
- × *Money Personality Quiz* is a fun multiple-choice quiz to help you discover your true money personality.
- × *Opposites Attract* reminds us that people in relationships often balance each other, and this can lead to money conflicts.

17. Values Auction ☆

Objective: Individuals and couples explore the values most important to them.

Time: 40 minutes

Materials:

List of Values (cut up into pieces and preferably laminated)

Copy of List of Values sheet for each participant

Envelope with \$600 in play money for each participant: two \$100 bills, four \$50s, five \$20s, and ten \$10's

Auctioneer's gavel (optional)

Note to Trainer:

There are extra blanks at the bottom of the list of values for you or the class to add additional values of importance to them.

This is a great activity when done in combination with the Values Pyramid.

Activity:

Explain to the class that you will be auctioning off the values on the List of Values one at a time. You will auction off one of each value on the List of Values, so two people in the class can't buy the same value. Give the class a few minutes to look over the list and mark the values they want to buy.

Explain that participants can use their value sheet as the auction happens to mark down in each value square the results of the bidding at the end of each bid. Encourage them to note:

- If they purchased the value or not,
- Their highest bid for the value (\$0 if didn't bid), and
- How much the value auctioned for.

The trainer will be the auctioneer as well as give out the cards and take the money. (If there is a second trainer, the auctioneer and bank tasks can be split up.) The trainer will auction off each value card one at a time.

The auctioneer starts by randomly choosing a Value Card, calling out the value on the card and asking for the bidding to begin. When no one is willing to go higher, give the Value Card to the highest bidder. Continue until you have no more Value Cards left, or until everyone is out of money.

Once the auction is over, give participants time to think about their results. If there are couples or families in the class, give them a few minutes to talk together to discuss, compare, and share the values they purchased with their partner or family.

Group Discussion:

- × Did you have enough money to buy the values most important to you?
- × Did you run out of money before you got what you wanted?

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- × In real life, how much do the values you want cost? How can this reality help you prioritize your spending?
- × Did any couples or families work together to pool their money and purchase common values?

Handout: VALUE CARDS

WEALTH	CREATIVITY
LOOKING GOOD	JUSTICE
EDUCATION	ORDER AND ORGANIZATION
ENTERTAINMENT	RELIABILITY
SPORTS	RESPONSIBILITY
JOB	SELF-SUFFICIENCY
HEALTH	HOUSING
STABILITY	FREEDOM
SPIRITUALITY	FRIENDSHIP
TRANSPORTATION	HELPFULNESS
FAMILY	HONESTY

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18. Values Pyramid [☆]

Objective: Couples or families to identify their joint values.

Time: 15 minutes

Materials:

Ten colored note cards (or 3" x 4" pieces of paper) and one pen or marker per couple or family

List of Values (cut up into pieces and preferably laminated)

Copy of List of Values sheet for each participant

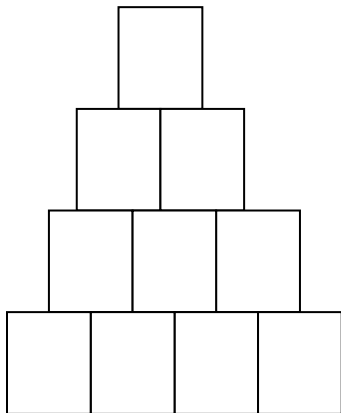
Envelope with \$600 in play money for each participant: two \$100 bills, four \$50s, five \$20s, and ten \$10s.

Auctioneer's gavel (optional)

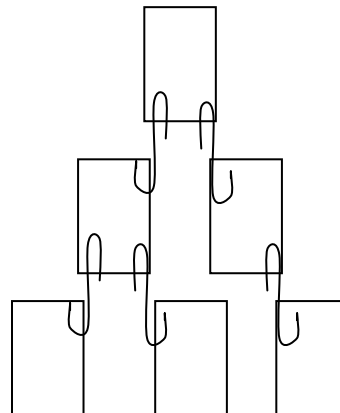
A drawing of the pyramid shape (illustrated below) on a flip chart or blackboard

[The Pyramid can also be turned into a mobile that the couple or family can display in their house. To make a mobile, also provide each couple or family with a piece of string and twelve paper clips. Paper clips bent open can serve as a two-sided hook to attach the mobile pieces (illustrated below).]

Pyramid:



Mobile:



Note to Trainer:

This is a great activity when done in combination with the Values Auction.

If families and couples are not in class together, participants can practice this activity in small groups of 3-4. At the end of class, provide participants a List of Values to take home and encourage them to repeat the activity with their family.

Activity:

Give each couple or family ten blank cards and the List of Values. (Same list of values from Values Auction). Ask each couple or family to look at the list of values, and together choose their top ten. Encourage them to:

- Add other values that may not be on the sheet.

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- Include important values for each person in the family.
- Negotiate with each other as they choose their values.

The most important thing is that groups choose values that are satisfying for everyone in the family.

Once they've decided, have them write each of their final ten values on a card. Ask each couple or family to lay out their values cards in a pyramid shape following your guide. Explain that the most important value goes at the top, the two next most important values in the second tier, and so on. Give them some time to negotiate placement of the values.

Explain that the Values Pyramid can be a roadmap for their family life. Encourage them to display it someplace in their home where they can look at it. Also, explain that as family members get older, they may want to re-evaluate their values as some values will change over time. Staying in touch with the values that are important to them is an important task for the rest of their lives.

Encourage the class to invest time and money in their most important values. Remind the class that whatever they invest in will grow.

19. Money Myths [☆]

Objective: Couples explore each other's conceptions about money.

Time: 20 minutes

Materials: Flip Chart

Note to Trainer:

This activity allows couples and families to explore each other's money myths. However, the discussion can also be done with individuals or small groups of non- family members.

Activity:

Write up on a flipchart "MONEY =". Ask the class to brainstorm different endings of this sentence. You can help the class by offering the words below as they brainstorm. For each word you put up on the chart, ask volunteers to explain and give an example.

Money = Happiness

Money = Love

Money = Power

Money = Freedom

Money = Self worth

Money = Security

Once the class has brainstormed different meanings of money, step back and have a conversation about conceptions about money.

Here are some **talking points**:

As young children we have no conceptions about what money is or isn't. While we are growing up our attitudes about money form from what we learn from our parents, siblings, teachers, relatives, religious instructors, and other role models. We also receive messages from our peers and from society in general.

[☆] Adapted, with permission, from *Money Harmony* by Olivia Mellan. Copyright Olivia Mellan 1994.

As a result, our money behavior as adults often has roots in habits formed unconsciously from what we have seen and observed. Just as often, they have roots in the MONEY MYTHS we have created.

What are MONEY MYTHS? Money Myths are beliefs about what money can do for us. Sometimes we attribute almost a magical quality to money. For example, if I had money, I would be happy. It is important to understand the myths that drive us. Though each money myth contains some truth, these myths can also prevent us from making rational money decisions.

What can we do about Money Myths?

Activity 1:

Talk with the class about debunking the myths by finding examples that run counter to the myth. For example, if people in the class said Money = Power, have the class discuss times in their lives where they felt strong and powerful that didn't include spending or needing money.

Ask each participant to select one myth that he or she feels resonates the most personally and to share the myth with their partner or family members. Each couple or family then chooses one myth from among those shared individually and comes up with two activities that debunk this myth. Ask the couples or families to make plans to do one of the activities that they came up with.

Have each couple or family report their chosen myth and planned activity.

Activity 2:

Ask couples or families to take 5 minutes to think of five activities, old or new, that cost little or nothing and that bring them happiness.

Lead a sharing of ideas while someone takes notes on a blackboard or flip chart.

Ask each couple or family to choose one idea from the shared list that they hadn't thought of and to plan how and when they will act on that idea during the next week.

20. *Revolving Ledger* [☆]

Objective: Demonstrate how we build up attitudes about money and relationships based on our previous experience and how our past experiences keep adding up, as if on a ledger, and impact our future decisions and attitudes.

Time: 20 minutes

Materials:

Play Money (six \$5 bills and twenty \$1 bills)

Activity:

Ask four volunteers to come up to the front of the room. Have one participant stand to your right and ask the other three to line up to your left.

Loudly and clearly, give the participant to your right \$30 in fives. Count out loud: “Here’s some money for you, six five-dollar bills...\$5, \$10, \$15, \$20, \$25, \$30.”

Excuse yourself from the volunteer on your right for a moment and “huddle” with the other three volunteers. Be sure that the lone volunteer cannot see what you are doing or hear what you are saying. Give each of the three volunteers five \$1 bills. Ask them **not** to give out more than **three** dollars.

Instruct the participant on the right: “You have \$30 in \$5s. For some reason we don’t need to go in to, you really **MUST HAVE** ten singles (\$1s). We four all have singles, so starting with me, go ahead and get what you need.

The participant then gives one or two 5s to the instructor and the instructor loudly gives change: “one, two, three,” and then stops, saying “Well, I’m sorry, that’s all I can do right now. Goodbye. Maybe someone else can help you.” The instructor then moves far off to the right.

At this point the activity develops differently, depending on the personality of the participant seeking change. As each participant gives change of no more than three dollars and then sits down, typical statements from the person seeking the change are:

“I don’t know if I can trust you.”

“That last person ripped me off.”

“Give me the change first.”

“That person only gave me three singles for a \$10, will you give me some more to make up for it??”

However it develops, it is usually funny—but it is also clear what is happening. With each successive try to get singles from a new person, the openness, trust, and giving nature dramatically disappears.

After everyone has returned to their seats, ask the participant who was seeking change to talk about how he or she felt. Now ask those that short-changed him or her to share their thoughts.

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Group Discussion for Money Management:

How do our previous experiences with money affect how we move onto new money relationships?

Can you see any similarities between this activity and money relationships in your family?

Can you recall a time when you didn't have enough money to give? How did you feel? How did you deal with the situation?

Group Discussion for Microenterprise Classes:

Can you see any similarities between this activity and transactions in your business?

Can you recall a time when you didn't receive fair "change?" How has this changed the way you deal with money transactions now?

21. *Opinions about Money* [☆]

Objective: Ice breaker to get people moving around and talking about money issues.

Time: 10 minutes

Materials:

Copy of the Opinions about Money Handout

You may also want to provide a copy to your participants.

3 sheets of flipchart paper: one labeled “Strongly Disagree,” another “Strongly Agree,” and another “Undecided”

Note to Trainer:

This activity works very well for large groups – even up to 100 people! Prepare the classroom by marking one side of the room as strongly agree, the other side as strongly disagree, and the center of the room as undecided by taping up the flip chart pages accordingly.

Activity:

Let the class know that you will be calling out common statements about money. As each statement is called out, ask participants to decide how they feel about the statement: Do they agree, disagree, or don’t know? Ask them to show their response by moving to the corresponding section of the room. Now, ask people in each group to explain why they agree or disagree with the statement. Make sure to ask people in the center too. Their responses are usually equally thoughtful. Go through each statement using the same methodology.

When couples and families are in the class, encourage family members to go freely where they want to and to notice where each other goes with loving curiosity and respect.

Group Discussion:

- × What were some of the difference or similarities within families?

[☆] Adapted, with permission, from *Homebuyer Education Methods: Training for Trainers* created for Neighborhood Reinvestment Corporation by Christi Baker, Chrysalis Consulting. Copyright 2001.

Handout: Opinions about Money

Statement	Strongly Agree	Undecided	Strongly Disagree
Money is the key to happiness.			
Money is the root of all evil.			
Money spent on yourself is selfish.			
We try to save at least 10% of our income.			
Families should agree on a budget and share financial responsibilities.			
Money is for having fun.			
Life is for working. Fun is wasteful.			
You cannot achieve your goals without a budget.			
Everyone should take care of himself or herself. Independence is most important.			
I am prepared financially if I were to be laid off tomorrow.			

Adapted, with permission, from *Homebuyer Education Methods: Training for Trainers* created for Neighborhood Reinvestment Corporation by Christi Baker, Chrysalis Consulting. Copyright 2001.

22. *Sharing Your Money History* [☆]

Objective: Explore and share personal details of past money experiences.

Time: 30 minutes

Note to Trainer: This activity can work between couples and family members or among class members generally.

Materials

Money History Questions Handout

Activity:

Ask participants as a group to brainstorm situations when they usually talk about money with their family members. As a group, note how many of these experiences were conflicts or negative issues about money.

Introduce the rest of the activity by noting that talking about money does not have to be about exploring conflicts between you and your partner in the area of money.

Divide the class into pairs. Pairs can be couples, two family members, or unrelated class participants. Ask the pairs to take their two chairs and move away from the tables and others in the room. Encourage pairs to sit facing each other.

Distribute the Money History Questions handout and ask them to go through the list, asking each other the questions, and sharing their responses with their partners. It might be helpful to set up two ground rules:

- They take turns sharing each response; they do not interrupt the speaker,
- If an individual cannot or does not want to answer a question, she or he can skip over it for the time being; but try to come back and share the answer later.

Encourage your participants to take this activity home, find some quiet time with their partners and re-do the activity together. Ask them the following week what they learned and how they felt.

Group Discussion:

How did you feel talking about money this way?

What did you learn about yourself? Your partner?

[☆] Adapted, with permission, from an activity by Olivia Mellan published in her book *Money Harmony*.

Handout: Sharing your Money History

- 1) This is how my parents handled money:
 - They spent it on
 - They saved it for
 - They saved it in....
 - They talked about it.....
 - They dealt with allowances for me by....

- 2) Here are some of my childhood money memories:
 - Of my parents....
 - Of brothers, sisters, and other relatives...
 - Of my friends
 - Of school

- 3) Here are some of the money messages I received (either directly or indirectly):
 - From my parents....
 - From my friends....
 - From my grandparents...
 - From my schooling....
 - From my religious training....
 - From my culture.....

- 4) In my family, I think money symbolized (choose from the options):

• Happiness	• Independence
• Love	• Self-worth
• Power	• Security
• Control	• Freedom
• Dependency	• Corruption
• _____	

Adapted, with permission, from an activity by Olivia Mellan published in her book *Money Harmony*.

23. *Uncovering the Meaning of Money* [☆]

Objective: Participants better understand what meanings they attach to money.

Time: 15 minutes

Materials:

Money is... Handout

Activity:

Ask the class to discuss different things that MONEY means. Write their ideas on a flipchart, overhead, or blackboard.

Distribute the Money is... handout. For each of the words on the handout ask participants to write down an example of how MONEY can express the sentiment.

Participants can feel free to personalize the list of words by replacing words on the handout with words generated in class.

Group Discussion:

What did you learn about yourself?

Were you surprised by any of your responses?

Which words were the easiest for you to respond to? Which ones the most difficult?

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Handout Money is...

Caring

Control and Power

Commitment, Security, and Stability

Acceptance

Recognition

Expectations

24. *Money in Your Family of Origin* [★]

Objective: Learn and share with each other their attitudes about money.

Time: 25 minutes

Materials:

Money in Your Family of Origin Handout

Note to Trainer:

This activity can work in class between couples and family members or among class members generally.

Activity:

Divide the class into pairs. Pairs can be couples, two family members, or unrelated class participants. Ask the pairs to take their two chairs and move away from the tables and others in the room. Ask pairs to sit facing each other.

Distribute the handout and ask them to go through the list, asking each other the questions and sharing their responses with their partners. It might be helpful to set up two ground rules:

- They take turns sharing each response; they do not interrupt the speaker.
- If an individual cannot or does not want to answer a question, she or he can skip over it for the time being; but try to come back and share the answer later.

Afterwards, ask participants to write/journal for 5 minutes about their thoughts and feelings about this experience. Ask participants if they want to share with the class some of the ideas, thoughts, or feelings they wrote down.

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Handout: Money in Your Family of Origin

Your Parents and Money:

- × Who spent the most money in your family? What did they spend money on?
- × What was considered a necessary expense? How was that decision made and by whom?
- × What was considered a discretionary (or optional) expense? How was that decision made and by whom?
- × Who made decisions about how much money to save? What was the money saved for?
- × Did the family distinguish savings from investment? If so, how?
- × What were your parents' fears about money?
- × What was your parents' philosophy about money and wealth?
- × What were your parents' habits about money?
- × Did your parents fight about money? How did they make up?

Your Parents and You:

- × What messages about money did your parents pass on to you?
- × When did you parents give you money?
- × Did you fight with your parents about money issues? What did you fight about? How did you make up?
- × Was money used as part of discipline and punishment?
- × Was money used to change your behavior?

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You and Money:

- × What are your earliest memories about money?
- × What were your fears about money as a child? What are your current anxieties about money?
- × How did you get money as a child? What did you do with it?
- × What is the last thing you bought for yourself? How long did you think about buying it before you did?
- × What have you not bought for yourself or your family that you would like? What circumstance would allow you to buy it? Is it something worth saving for?
- × What is your current philosophy about money?
- × Do you recall wanting something very much and getting it? Wanting something very much and not getting it? How did you react in each situation?

You and Your Children:

- × How does your child get money? What does he/she do with it?
- × When do you give your child money?
- × When your child wants something very much, do you buy it for her or him? How does she or he react?
- × When was the last time you talked to your child about money? What was the conversation?
- × When you are saving for something big, do you discuss making money sacrifices with your children?
- × What is the philosophy about money you would like your child to learn?

25. Money Personality Quiz ^{*}

Objective: Participants identify their money personalities.

Time: 15 – 20 minutes

Materials:

Money Personality Quiz Handout

Quiz Answer Key Handout

Activity:

Distribute the Money Personality Quiz. Give participants about five minutes to take the quiz. Ask them to respond with the answer that first strikes them as being closest to their tendencies. There is no right answer. Ask them to be as honest with themselves as they can. There's no need to worry about the outcome. Instead, try to have fun with the quiz!

Once they have finished the quiz, introduce the different money personality types.

Saver: You like to save money and prioritize your financial goals.

Spender: You like to spend money on yourself and others.

Avoider: You like to avoid money management, such as balancing your checkbook, making a budget, and paying bills promptly.

Worrier: You worry about money often and want to have a great deal of control over your money.

Explain that their responses on the quiz will help them determine which combination of money personality types they tend to be.

Go through the answers of the quiz.

Group Discussion:

How do you think your money type affects your daily life?

How do you think it might affect your partner or other family members?

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Handout: Money Personality Quiz

Circle the letter that best describes your probable action in each situation.

1. If \$20,000 came to me unexpectedly, my first impulse would be:
 - a. To spend it on things I really want, including gifts for others.
 - b. To put it in my savings account.
 - c. To feel so overwhelmed that I'd put off making decisions about it for a while.
 - d. To feel so relieved that I could cover my daily expenses and pay back my debt.

2. My goals about money are:
 - a. To save enough of it now so I never have to worry about my old age.
 - b. I don't have goals; I just hope for the best.
 - c. To have enough to ensure that I can buy whatever I want.
 - d. I have goals, but I am concerned I won't achieve them.

3. When it comes to following a budget:
 - a. I rework my budget often to figure out ways to have more money to save.
 - b. I enjoy following mine closely.
 - c. I hate the word budget. I prefer spending plan!
 - d. I don't have a budget and never want one. My money will take care of itself.

4. When it comes to spending money:
 - a. I lose sleep thinking/worrying I won't have enough money to take care of unexpected expenses.
 - b. I'd rather save my money than spend it. Spending money makes me nervous.
 - c. I don't follow where my money goes, and I don't want to. There are more important things in life.
 - d. I tend to spend more than I earn.

5. As far as credit cards are concerned:
 - a. I prefer not to have credit cards at all. I have one and use it as little as possible.
 - b. I tend to use credit cards often and make the minimum payment.
 - c. I don't mind using my credit cards as long as I can pay them off quickly. I think about my credit card bills a lot.
 - d. I don't take much notice of my credit cards. I often forget to pay even the minimum monthly until I get a warning notice.

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6. When it comes to providing for emergencies:
 - a. I don't have enough saved to provide for emergencies; I just hope for the best!
 - b. I keep thinking that I'll have enough to start saving for emergencies soon, but I'm not quite there!
 - c. I've put aside a sizable amount for emergencies, but I still worry about them!
 - d. I try to save regularly for an emergency fund.

7. When I want a certain item, but it's not within my budget:
 - a. I will decide I don't really want it.
 - b. If I want it, I will buy it. I can figure out a way to pay for it later.
 - c. If the item is important enough, I will buy it. If not, I will forget about it. I try not to give it too much thought.
 - d. I may buy it, but I'll worry about how to pay it off.

8. When I'm feeling down in the dumps, spending money:
 - a. Is the last thing I would do; putting some more money in savings might lift my spirits.
 - b. Always cheers me up.
 - c. Is not what I think about to cheer myself up.
 - d. Just gives me more things to be anxious about.

9. I would take a bank loan under these circumstances:
 - a. To pay off debts or go on vacation.
 - b. To finance my education or set up or expand a business.
 - c. I hope I never have to borrow money, because I don't like dealing with more bills.
 - d. To buy a home or make essential repairs to a home.

10. If I won a million dollars in the lottery, my first reaction would be:
 - a. To feel shocked, a little overwhelmed, and very relieved about my future security.
 - b. To be totally overwhelmed—I would have no idea how to handle it.
 - c. To be very happy and pleased and immediately start thinking how I could use it.
 - d. To be wildly excited, realizing that from now on I could buy anything I wanted!

Answers:

- | | | | | |
|-----|------------|------------|------------|------------|
| 1. | a. Spender | b. Saver | c. Avoider | d. Worrier |
| 2. | a. Saver | b. Avoider | c. Spender | d. Worrier |
| 3. | a. Worrier | b. Saver | c. Spender | d. Avoider |
| 4. | a. Worrier | b. Saver | c. Avoider | d. Spender |
| 5. | a. Saver | b. Spender | c. Worrier | d. Avoider |
| 6. | a. Avoider | b. Spender | c. Worrier | d. Saver |
| 7. | a. Saver | b. Spender | c. Avoider | d. Worrier |
| 8. | a. Saver | b. Spender | c. Avoider | d. Worrier |
| 9. | a. Spender | b. Saver | c. Avoider | d. Worrier |
| 10. | a. Saver | b. Avoider | c. Worrier | d. Spender |

26. *Opposites Attract* ^{*}

Objective: Participants understand how different family members tend to “balance” each other with regard to money roles.

Time: 15 minutes

Talking Points:

In many aspects of relationships, partners often learn to balance each other. This is also true when it comes to our money roles and how we deal with money in a family. One partner may consciously or unconsciously start to balance the attitude in the other partner; they may act as opposites. For example, in many relationships, when it comes to money:

- × One person is the spender and the other the saver;
- × One person is usually the worrier and the other avoids thinking about money; and
- × One person is more of a planner and the other the dreamer or visionary.

Discuss the different money personalities:

Hoarder v. Spender

Amasser v. Money Monk

Worrier v. Avoider

Interestingly, our money personality or the role we play can change depending on who we are relating to. For instance, maybe at work your boss is a big spender, always coming up with expensive marketing ideas. You may find that you are often encouraging her to find less costly alternatives. On the other hand, your marriage partner may be a hoarder never wanting to spend money on things your family wants. At home, you may take on the role of a spender.

Activity:

Choose a money personality duo that appears to be most salient for the class to work with. Divide the people in the room in half. You can do this by counting “one...two...one...two” or by simply finding a dividing line. Either way, don’t pick groups based on actual roles in the family. Assign each group one side of the grouping. Invite the first group, i.e., the Worriers, to spend a few minutes shouting out any judgments or criticisms they have of Avoiders. Comments may include statements like: “You never deal with money,” or “You bounced three checks last week because you have no idea how much money is in the bank account.” Now invite the Avoiders to judge and/or criticize the Worriers on the other side of the room. After both groups have done this, invite everyone to take a deep breath and shake out the tension in their limbs.

Now, invite the first group to tell the other group what they secretly admire about them and their way of dealing with money. After a few minutes, when the group’s comments are winding down, invite the second group to share all their secret envies and appreciations of the contrasting group’s money style.

You will be able to feel a big shift in the energy in the room, from antagonistic to soft, vulnerable, and respectful. This is the kind of sharing between couples—understanding and appreciating each other in a good way—helps when money differences arise.

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Chapter 4: Dreams and Goals

Chapter 4, Family Dreams and Goals, encourages families to set goals together by prioritizing and clarifying their objectives.

The four activities in this chapter help families work together toward identifying their dreams:

- × Win-Win Waltz is a three-step tool for effective joint decision-making and action planning.
- × *Visualizing Common Goals* is a visualization activity that helps participants think to the future and their dreams.
- × *Prioritize What You Want, Get What You Want* uses a role play and the construction of a mobile to help families prioritize their goals.
- × *Create a Yellow Brick Road to Your Goal* is a board game to help families think through the obstacles and detours that they will need to overcome in order to meet their goals.

27. *The Win-Win Waltz* [☆]

Objective: Learn the three steps of the “Win-Win Waltz” as a tool for effective joint decision-making and action planning.

Time: 40 minutes

Materials:

Write three “situation cards” on large sheets of paper: (write one title on each card)

- Express Initial Positions
- Explore Underlying Concerns
- Create Win-Win Solutions

Situation Cards

Win-Win Waltz Worksheet: distribute one copy to each participant

Note to Trainer:

Place the three Cue Cards so that they are visible to all the group members (e.g., facing the group, propped on chairs in front of the group). Spread the cards/chairs out so there is room for two people to stand next to each.

Talking Points:

One hallmark of a true partnership is the effectiveness of two people's shared decision-making. "Effective" means they are able to make decisions that are responsive to the full range of concerns of both partners.

These steps of the win-win waltz can be used to make decisions about upcoming events (shared decision-making) and to change things that are not working (fix-it talk). The only difference is that fix-it talk begins with two initial steps.

Give the following initial explanation, pointing to each Cue Card as you explain it:

A waltz has 3 steps, as does collaborative problem solving:

1. Express initial positions;
2. Explore underlying concerns; and
3. Create win-win solutions.

[☆] Adapted, with permission from the *Power of Two Marriage Skills Workshops* by Heitler and Hirsch. See www.PowerOfTwo.org.

Activity:

Walk through the following example to be sure that everyone understands the difference between, on the one hand, concerns (fears, values, motivations) and, on the other hand, positions and solutions (plans of action).

Step 1: Express initial positions:

Peter and Mary want to buy a car. Peter says, "Let's buy a Ford."

Mary says, "No. I want a Toyota."

Step 2: Explore underlying concerns:

Ask the group what Pete's concerns might have been that led him to suggest a Ford.

Peter might say: "The prices are reasonable. The dealership is close by so it will be easy to take care of maintenance and repairs."

Emphasize that both sides need to explore their underlying concerns and ask then for what Mary's might be.

Mary might say: "I don't want to keep taking the car back to the shop; Toyota has a good repair record. I want as much room as we can get for passengers for our kids and their friends."

Step 3: Create a plan of action responsive to both. Go with the information generated by the group.

Peter and Mary might say: "Let's get a Consumer's Report guide to cars so we have full information on repair rates, roominess, and prices. Let's also check in the Yellow Pages for which dealers have repair facilities near us."

Hint: Encourage thinking in terms of solution sets that are multi-piece answers.

Invite one couple in front of the group to try the "waltz" sequence. Use the situation of a couple deciding what to do for dinner. Hold up the relevant Cue Card for each step.

Emphasize the difference between concerns and positions (action plans/specific solutions). Make one list for all of their concerns. Then list three possible solutions: her idea with modifications, his with modifications, and at least one new solution (possible final solution).

Practice distinguishing concerns and solutions by asking the group:

Let's practice looking at the difference between concerns and solutions some more. If you and your spouse were discussing who is responsible for what household jobs, what might be concerns, and what might be solutions?

E.g., concerns might be how long each job takes, how much he or she enjoys doing the job, or how much preparation the job takes. A solution, by contrast, might be: He cooks; she cleans.

Have a different couple come to the front and traverse the three steps on their own to the dilemma: "What should we do for vacation this summer?"

Using the Win-Win Waltz Worksheet, they write out the three steps.

Pass out additional Situation Cards, and invite additional couples to try the "Win-Win Waltz" in front of the group.

Group Discussion:

Most couples have systems for making decisions together such as taking turns on who gets their way, whoever feels most strongly about the issue gets their way, or they compromise (they both give up some). How do these three options compare to the Win-Win Waltz?

Conclusions

With the Win-Win Waltz, virtually any decision becomes easy and mutual. Both big and little decisions—where to live and what to eat for lunch—can become simple and shared. The more skilled a couple becomes, the faster the decision-making—and the more satisfied you both feel with the resulting plan of action.

Handout: Win-Win Waltz Situation Cards

<p>WIN-WIN WALTZ</p> <p>You like to watch TV in the evenings, and your spouse wants you to go shopping in the mall.</p>	<p>WIN-WIN WALTZ</p> <p>Your partner has invested a large amount of your savings in a high risk venture. You want to have a sense of financial stability.</p>	<p>WIN-WIN WALTZ</p> <p>Your partner likes to talk about what bills have to be paid after dinner. You like some quiet time after dinner.</p>
<p>WIN-WIN WALTZ</p> <p>Your partner likes to go out jogging, and you like sitting and talking together in the evening.</p>	<p>WIN-WIN WALTZ</p> <p>Your car has broken down. You would like to get a new car, and your partner would like to have the old car fixed.</p>	<p>WIN-WIN WALTZ</p> <p>You and your spouse need to decide what neighborhood to live in. You like a more expensive area because the schools are better.</p>
<p>WIN-WIN WALTZ</p> <p>Your partner wants to buy a new T.V. You are happy with the old one.</p>	<p>WIN-WIN WALTZ</p> <p>You need to decide what to do on Saturday afternoon. Your sister's birthday party and your spouse's big soccer match are both at the same time.</p>	<p>WIN-WIN WALTZ</p> <p>You are trying to decide what to watch on T.V. You prefer sports; your spouse wants to watch the reality show.</p>
<p>WIN-WIN WALTZ</p> <p>You don't like the way your spouse offers you coaching when you do competitive activities together.</p>	<p>WIN-WIN WALTZ</p> <p>When you call the family for dinner, you want them to come right away, but your spouse takes his/her time.</p>	<p>WIN-WIN WALTZ</p> <p>You are worried that your spouse's back problems may be serious. Your spouse doesn't want to go to a doctor.</p>

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Handout: The Win-Win Waltz Worksheet

A's Initial Position	B's Initial Position
A and B's Underlying Concerns	
<ul style="list-style-type: none">• _____ Specifics _____• _____ Specifics _____• _____ Specifics _____• _____ Specifics _____• _____ Specifics _____• _____ Specifics _____	
Solution Options	
A's initial solution with modifications so that is a win-win solution set: _____ _____ _____	
B's initial solution with modifications so that is a win-win solution set: _____ _____ _____	
New idea altogether: _____ _____ _____	

Adapted, with permission from the *Power of Two Marriage Skills Workshops* by Heitler and Hirsch. See www.PowerOfTwo.org.

28. Visualizing Common Goals

Objective: Encourage families set goals together.

Time: 15 minutes

Materials:

Common Goals Handout

Talking Points:

Talk about how effective money management depends on the way a family chooses to live and the goals it plans to achieve. It is important for the family to take time to discuss and set their goals together. Having a voice in establishing family goals will help parents and children realize that the family is working together to set priorities and solve their financial problems.

Activity:

Ask each person to begin to think about where their family is today and where they want their family to be in five or ten years. For example, maybe the family really needs a vacation together. Maybe they would like to own a safer, more reliable car, buy a home, or send a family member to college. We are going to give you a chance now to think about your hopes and dreams and share them with your partner or family.

Ask participants to settle comfortably in their chairs. Ask them to relax. Now ask them to close their eyes and let their minds be open to what it is they want out of life for their families. Explain that you will take them through a visualization activity. Slowly speak the following sentence beginnings. Pause for 30 seconds between phrases to let participants' minds have time for creative imaginations.

Within three months, what I want for my family is...

In one year, what I want for my family is...

In five years, what I want for my family is...

In ten years, what I want for my family is...

Ask participants to open their eyes and write their sentence completions on the handout. Give them 5 minutes to fill-in details of their visualizations and write down their goals.

Group Discussion

If families or couples are attending the class, ask them to get with their partners or family members and share and compare their hopes and dreams. After sharing, ask each family to agree on one family goal for each time period. If families are not in class, encourage participants to go home and share their goals with the family and to repeat the activity.

Handout: Common Goals

Within three months, what I want for my family is...

In one year, what I want for my family is...

In five years, what I want for my family is...

In ten years, what I want for my family is.....

Adapted, with permission from the *Power of Two Marriage Skills Workshops* by Heitler and Hirsch. See www.PowerOfTwo.org.

29. *Creating a Priority Mobile* [☆]

Objective: Introduce the concept that prioritizing what you want will help you get what you want.

Time: 35 minutes

Note to Trainer:

It would be helpful to have an example of a completed priority mobile to show participants.

Materials:

A metal clothes hanger per couple or family

A large supply of colored paper and markers

Scissors (1 per 2 families)

Tape (1 per 2 families)

Small safety pins (5 per family)

String (a piece about 2' per family that they'll cut into pieces)

Activity:

Two instructors (or an instructor and class member) perform the following role play without providing much introduction:

A couple is in their apartment and distressed about money.

Woman, very distressed: "We got a notice today from the landlord that we have to move by the end of the month. We haven't paid rent in two months!!"

Man (aside to class): "We have these arguments about money all the time!"

Man, also distressed: "You waste so much money! You spend way too much money on your nails. I saw the baby's sneakers cost \$50! It's stupid to pay \$50 for sneakers when the kid can't even walk."

Woman: "Well, you bought rims and a stereo for the car. Talk about a waste! It's OK for you to waste money, but you don't like me to buy stuff the family needs. And where did our rent money go!"

FREEZE.

Ask the class what they thought about the role play and what it meant to them. As you wrap up the conversation, emphasize the importance of "Prioritizing what you want and working together". This will bring you to the next part of the activity.

Directions for the Priorities Mobile:

Distribute the supplies and give groups 20 minutes to work together. Ask each group to follow these steps:

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- a. Discuss and decide what financial priorities they will write on their mobile pieces and then label their mobile diagram.
- b. Fashion a triangular colored paper “sleeve” and tape it to cover their hanger. Write their one or two top priorities on each side of the triangle sleeve (same priority written on both sides or one priority on one side and one on the other side). Encourage participants to be creative and add colorful symbols and pictures to their words.
- c. Cut two medium-sized geometric or other shapes and write their next most important priorities on these (two or four priorities total), perhaps with symbols added. They attach these shapes to either end of their triangle hanger with 3” to 4” lengths of string, either by tying or using pins.
- d. Cut four smaller-sized geometric or other shapes and write their next most important priorities on (four priorities total), perhaps with symbols added. Attach these shapes to the two medium-sized shapes in any place they want to, again using 3” to 4” lengths of string and pins.

When the time is up, call them together and let each couple or family present their creation to the whole group.

30. Create a Yellow Brick Road to Your Goal

Objective:

To help families conceive, clarify, and commit to achieving their goal and to create a family reminder of the goal and their path toward it.

Time: 30 minutes

Materials:

Each family will need:

A large piece of yellow paper on which they can draw or cut-out the path of the yellow brick road

A handout of the suggested road shape and model billboard shape for goal signs

A set of 4 red paper bricks, 4 off-ramps, 4 stop signs, and 2 rock slides made from colored paper

Glue sticks or scotch tape

Scissors

Extra sheets of colored paper

Colored markers

Note to Trainer:

If you wish, you could start this activity in class but ask that people finish it at home and bring it back the following session for sharing and display.

It would be very helpful to create your own yellow brick road ahead of time as a model for the class. You will also be better equipped to answer questions about the process.

We recommend that you follow the order of activities and wait to give out materials until after the goal-setting step. When people get materials, their attention is drawn to them.

Activity:

Show the Instructor's "Road" and explain the overall objective and outcome of this activity.

Pointing to the Instructor's model, explain each piece of material and what it symbolizes:

The materials for the yellow brick road symbolize the following:

The yellow brick road is the route to your goal.

Red bricks mark unexpected detours and chosen scenic byways.

Ramps introduce the transition from yellow bricks (direct road) to red bricks (indirect road) and back again to yellow bricks.

Stop signs mark times to regroup, reflect, replan.

Rock slides mark obstacles on the road.

Emphasize that participants may use their own creativity and the extra paper to add other aspects to their road. They can also redesign their road's shape, if they want to.

Ask couples and families to decide together on one long-term goal that involves money, then several medium-term goals, and then several short-term goals that will take them from the here-and-now to their long-term goal.

Have a couple or family representative come and get their set of materials.

Together, couples and families draw their yellow brick road route on their flip chart or poster paper, then draw and label their billboards for short-, medium-, and long-term destination or goals at points along the yellow brick road. Continuing together, they create their real route as best they can anticipate it, using the various materials and mixing serious and fun anticipation of their various difficulties and solutions along the way.

After 15 minutes or when most have completed their roads, ask each couple or family in turn to explain their roads to the class.

Chapter 5: Family Budgeting

Chapter 5, Family Budgeting, helps families make spending and saving choices based on their combined values, goals, and available resources. The five activities provide different variations for learning about budgeting as a family:

- × *Family Budgeting Analysis* is a team budgeting activity using role play with participants taking on different household roles.
- × *Counting Your Pennies* is an interactive game to help families or teams learn to compromise around spending priorities.
- × *Calendar Corral* provides a useful tool for families to track and manage their monthly spending.
- × *Allowances Aren't Just for Kids!* gives families a mechanism to allocate money for different savings and spending priorities.
- × *The Morales Family Case Study* is a multi-step budgeting activity teaching the art of family budgeting.
- × *Day-to-Day Life of Money in Your Family* is a five-step worksheet to help families create a family budget.

31. Family Budgeting Analysis [☆]

Objective: Help families think about what is most important to them and learn to compromise and come to general agreement on earning and spending priorities.

Time: 50 minutes

Materials:

Team Budgeting Exercise worksheets for each participant
An envelope of family roles for each group
Calculator for the math analysis of the budget,

Note to Trainer:

If you add up the percentages on the spending plan closely, you will notice that the expenses add up to more than 100%! This is by design. You might be surprised how infrequently groups notice this as they do the exercise. When you tell them at the end of the exercise, they will probably laugh and say that it's very realistic for that to be true! This design might also lead to a discussion about credit and how important it is to live within your income.

Talking Points:

Discuss the key concepts of budget analysis:

- 1) Determine your present spending levels (what you actually do now).
- 2) Create spending guidelines (what you would like to be doing).
- 3) Compare the actual with the planned amount for each category.
- 4) Analyze the reason for spending surplus or shortfall.
- 5) Decide how to address the surplus or shortfall.

Activity:

Break the class into small teams of 4-5 participants each. Distribute a copy of the Team Budgeting Exercise to each participant, and distribute an envelope of the eight family roles to each team. Participants in each group will select family roles randomly from the eight roles in the envelope: Each "family" group of four or five will have a different household composition.

Give each team 25 minutes to discuss and confirm their budget for the year. Remind the class that the objective of a spending plan is to figure out how to meet household needs without creating further debt, and above all... KEEP IT SIMPLE !!!

Ask each group to present their findings at the end of the exercise. Compare the different spending plans as a class.

Group Discussion:

- × How did your role in the family impact your participation in the process?
- × How did different family make-ups impact the budgeting process?
- × Did any of the groups realize that the percentages added up to more than 100%?
- × How do we develop and maintain a "reality-based" spending plan?

[☆] Adapted, with permission, from the WECO IDA training in Cleveland, Ohio. Copyright WECO Fund, Inc.

Handout: TEAM BUDGETING EXERCISE

The situation:

- 1) Family of four with a gross income of \$25,000
- 2) Here are the guidelines of your spending plan, based on the results of your money tracking:
 - ◆ Taxes 17.5%
 - ◆ Housing 38%
 - ◆ Food 12%
 - ◆ Auto 15%
 - ◆ Insurance 5%
 - ◆ Debts 5%
 - ◆ Entertainment / Recreation 5%
 - ◆ Clothing 5%
 - ◆ Savings 5%
 - ◆ Medical/ Dental 5%
 - ◆ Miscellaneous 5%
 - ◆ School/ Child Care 8%
- 3) Calculate the dollar amounts for each category listed above based on the percentages.
- 4) Select your role slip out of the envelope. Identify the number of adults and minors that are in your household.
- 5) Discuss whether the amounts calculated are too high, too low, etc. Discuss how these numbers need to be adjusted. If the number is just right, discuss how the dollars will be spent.
 - Analyze the reason for spending surplus or shortfall.
 - How do income and expenses impact short-term goals?
 - How will income and expenses impact long-term goals?
 - What do spending and savings patterns mean?
 - What assumptions will we need to adjust?
 - What behavior will we need to modify to achieve the IDA asset goal?
 - How will we communicate about the spending plan and goals in our household?

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MOTHER	GRANDMOTHER
8-year-old child	17-year-old teen
FATHER	20-year-old student/ part-time worker
30-year-old adult daughter with toddler	35-year-old adult son

32. *Counting your Pennies* ☆

Objective: Help families think about what is most important to them and learn to compromise and come to general agreement on spending priorities.

Time: 60 minutes

Materials:

Spending Categories Handout

Cut out each category on the four-page handout into spending decision squares and place the set of squares in an envelope. Prepare one envelope per group.

20 pennies per group

Note to Trainer:

This activity can be conducted individually, in pairs, or in a small group situation of 3-5 people. Each group considers themselves a family.

Activity:

Divide the class into teams of 3-5 people. Give each group 20 pennies and one each of the 16 spending sheets (including 2 blank sheets). Groups will be asked to decide together how the pennies are spent. Explain that each group has a maximum of 20 pennies to allocate across all of the spending categories. Ask them to please choose at least one item in each category, i.e., they cannot leave a category blank. Moreover, if they think of other categories or responsibilities that are not covered by the choices, blank spending sheets are provided to add these categories. Ask them to list choices and the amount of pennies allocated for each item.

If there is time after completing the first round, ask the team to assume that one of the members of the household had a sudden loss of income. Have the groups try this exercise again with 14 pennies.

Participants can be encouraged to go home and play the game with their families.

Group Discussion:

Ask each group to talk about their spending decisions as an entire class.

What different choices did groups make?

How did they negotiate differences of opinion within the group regarding spending priorities?

How can they work with their family at home to negotiate a budget?

☆ Based on an activity created by Purdue University Cooperative Extension Service and adapted by the National Community Reinvestment Coalition.

Handout: SPENDING CATEGORIES

<i>Transportation</i>	PENNIES
Walk or bike.	0
Ride the bus or join a carpool.	1
Buy fuel for family or own vehicle.	2
Buy and insure used vehicle.	3
Buy and insure new vehicle.	4

<i>Utilities—Heat/Light</i>	PENNIES
Included in rent.	0
Cost shared by roommates.	1
You pay total cost.	2

<i>Utilities—Phone</i>	PENNIES
No phone.	0
Phone w/limited long distance calls.	1
Phone w/many long distance calls.	2

<i>Clothing</i>	PENNIES
Wear present wardrobe.	0
Use your sewing skills.	1
Buy at discount store or thrift shop/used clothing store.	2
Buy at a department store.	3
Shop for designer clothes.	4

<i>Grooming</i>	PENNIES
Home haircuts.	0
Generic grooming products.	1
Professional haircuts, selected grooming products.	2
Hair styled and processed, name-brand grooming products.	3

<i>Housing</i>	PENNIES
Live with relatives or in public housing.	1
Share apartment or house with others.	2
Rent a place of your own.	3
Buy a home.	4

<i>Food</i>	PENNIES
Provided by relative or included in housing costs. (room and board)	0
Cook at home; dinner out once a week.	2
Frequent fast food lunches, and weekly dinner out; cook other meals.	3
Purchase all meals away from home.	4

<i>Recreation</i>	PENNIES
Walking, playing with kids, yard work, reading.	0
Television, visits with friends, and picnics.	1
Cable television, sports, and movies.	2

<i>Insurance—House/Apartment</i>	PENNIES
No coverage.	0
Covered under family or roommate's policy.	1
Pay for property and liability coverage.	2

<i>Insurance—Health and Disability</i>	PENNIES
No coverage.	0
Access to free public healthcare.	0
Fringe benefits of job.	1
Group coverage (school or job).	2
Individual coverage (you pay).	3

<i>Childcare</i>	PENNIES
Provided at work.	0
Provided by family member or friend.	0
Hire sitter on limited basis.	1
Pay for full-time day care.	2

<i>Gifts</i>	PENNIES
Make your own.	0
Purchase cards and small gifts on special occasions.	1
Purchase frequent gifts for everybody.	2

<i>Savings</i>	PENNIES
Change in piggy bank.	0
A set amount each month.	1
A set amount each week.	2
Other:	2

<i>Furnishings</i>	PENNIES
Borrow from relatives or friends.	0
Rent furniture or live in furnished apartment.	1
Buy at garage sale or thrift shop.	1
Buy new furniture.	2

<i>Laundry</i>	PENNIES
Do laundry at home of friend or relative.	0
Use facilities in apartment or public housing.	1
Use laundromat; some dry cleaning.	1
Rent or purchase washer and dryer.	2

Category: _____

PENNIES

0

1

2

Category: _____

PENNIES

0

1

2

Category: _____

PENNIES

0

1

2

Category: _____

PENNIES

0

1

2

Category: _____

PENNIES

0

1

2

Category: _____

PENNIES

0

1

2

33. Calendar Corral

Objective: Give families a tool for tracking spending together.

Time: 20 minutes

Materials:

An envelope and Calendar Corral Handout for each participant

Note to Trainer:

This activity uses cowboy imagery as a fun way to help encourage families to track their spending. We encourage families to “lasso” in their spending by keeping a list of their expenses on a “calendar corral” for all the spending they do “out on the range.”

Activity:

Start a discussion about the need and advantages of tracking money and spending as a family.

- × What would be possible for the family if everyone did this?
- × How would each family member benefit?

Explain that with a wall calendar, envelope, and notebook families can set up a simple system for keeping track of where their money gets spent “out on the range.”

Daily Herding of Expenses:

Give each family a Calendar Corral Handout. This is a good example of a wall calendar on which families can track their expenses. Explain that a good way of keeping track of expenses is to write down on the calendar the amount you spend and “what for.” It is good to do this each day when you spend money. For example, if dad goes to the supermarket on Tuesday and purchases \$12 in groceries for dinner, he would arrive home—and before starting to cook—write on Tuesday’s date the amount: \$12 Groceries for Dinner

Ask families to think of a place in their home to hang the calendar where everyone in the family can easily write on it. Each family will want to attach a pen or pencil to the calendar with a string to make marking on the calendar easy. It is also helpful to attach an envelope to the calendar so that family members can slip the receipt in when they write down the amount on the calendar.

Remind family members in a friendly way throughout each month to “corral” those receipts into the envelope and write those amounts and “what for?” on the calendar. Show your children by explanation and example and encourage them to fully participate “like a grown up.”

Monthly Round-up:

a. The first step is for families to brainstorm a list of the “what for” the spending categories which they want to track their spending. For example:

Groceries	Eating Out
Transportation	School
Household	Personal
Clothes	Entertainment
Other	

b. Next they will want to purchase a spiral notebook and write at the top of each page one of the spending categories the family has agreed on. Make sets of columns on each page so you can record the date, item, and the total amount. When they fill up a page, just make a new page for the category, and so on until the notebook is full. If the family would like, draw or tape pictures at the top of the pages to brighten up the notebook.

c. At the end of each month, the family has a “Home on the Range” meeting and “lassoes” its receipts and records the family’s spending on pages of the notebook into the “what for?” categories of spending. Using the Calendar Corral as a guide, take the receipts out of the envelope, one by one, check them against the entry on the Calendar and organize them by spending category. Once they are organized, sort them by date and write them into the Ranch Notebook with the receipt dated the earliest in the month first to the most recent. If one receipt has spending that fits into several categories, the spender divides the total into appropriate categories on the calendar.

The family can store receipts needed for returns or personal records in a shoe box or folder and throw away the others.

Combine the monthly “ranch” meetings with a small reward for the family every two weeks for putting this system into action; for example, making ice cream sundaes together. Keep the reward simple and family-fun oriented and be sure to do it right away. Remember, that the best reward is everyone’s good feelings of cooperating and building family financial strength.

CALENDAR CORRAL

HOW OUR FAMILY SPENT OUR MONEY IN THE MONTH
OF _____, 200_



When you spend money, please write the amount and the “what for?” on the date. Then put your receipt, if you got one, in the envelope below. Every two weeks, we’ll round up the receipts, record, and total them.

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday

34. Allowances Aren't Just for Kids!

Objective: Help families allocate money among different savings and spending priorities.

Time: 15 minutes

Talking Points:

Many families offer allowances to help their children learn to manage their own money. Typically, children are given a set amount of money for a set time period, say \$10 per week; and they can spend or save this money as they like. Sometimes, the children are asked to carry out and complete certain chores to receive the money.

Allowances can be a good tool to teach children about the value of money. Through an allowance system, parents can encourage children to prioritize, save, and spend wisely. An allowance can also minimize the number of situations where children are asking their parents for things. An allowance gives children control over their own pot of money. It requires the child to spend and save within a budget or find other sources of income. For example, when the child asks for a new video game, a parent might respond, "I can't buy you that video game. But if you save up your allowance for six weeks you will have the money to purchase it." In this way, parents can encourage their children to prioritize and save.

These positive attributes of allowances can be helpful to the entire family not just for children! Money allowances can help family members save today for future goals or pay for treats that are important to them. Often, we overspend because we don't take account of how much money we spend on discretionary income. Allowances can help families create and stick to their priorities by allocating money among different saving and spending priorities. Allowances can also give people access to their own pot of money to spend or save as they like. Also, just like children, adults need a personal "allowance" or "mad money" to spend as they like, without having to account to the rest of the family. This money is useful for gifts for oneself and others.

Activity:

Discuss the different categories of spending in a family.

Discuss the kinds of purchases that an allowance could cover:

- Personal items
- Regular savings
- Longer-term savings for an asset purchase
- Donations to church or charity

Encourage family members to get together on a monthly basis to evaluate use of their allowance. You will all gain an appreciation of how much the family spent and saved and how individuals in the family prioritized their own money. This is an opportunity to learn about each other's money style, to encourage family members to alter their style to meet their collective goals, etc.

35. *The Morales Family: A Case Study in Budgeting*

Objective: Using a case study, participants will summarize spending information for a family in a budget format, calculate average monthly income and expenses, and assess how to adjust spending to better meet a family's financial needs.

Time: 60 minutes

Materials:

Morales Family Case Study for each participant
Calculators for each small group and for the trainer

Talking Points:

The purpose of this exercise is to familiarize participants with the basic processes for establishing a budget based on actual spending behavior, and then to do an initial analysis of how improvements to the budget could be made. This exercise was designed to emphasize specific skills and activities that are critical in budgeting:

- The process of converting daily spending behavior into a weekly summary, into a basic monthly summary, which is the first step in the development of an accurate budget.
- The critical assessment of whether spending is more than, less than, or equal to monthly income and the process of making adjustments to one's spending to improve this.
- The balance between spending money on every day living needs (ranging from rent to the spur of the moment purchases made on a whim) and diverting income to savings or to debt reduction.

Because this exercise mirrors many of the key activities in budgeting, additional points for discussion could include how tracking one month's expenses is not sufficient to capture one's financial life for a year, and the difference between fixed and flexible expenses, which is specifically relevant to reducing the Morales' expenses so that it is better in line with their income.

Activity:

Distribute the Morales Family Case Study to each participant. Divide the class into small groups of three or four, and provide each group with a calculator.

Ask the groups to go through the Morales case study, reading about the family and completing the different activities designed to help the Morales family find the money to save for a home.

The case study will help each group:

- Complete a summary of their actual monthly expenditures,
- Develop a current budget, and
- Make recommendations for changes that will help the family adjust their budget to help meet their larger financial goals.

When the groups have completed the activity, have the different groups present their recommendations for savings.

Lead a discussion based on the questions listed at the end of the case study.

Handout: The Morales Family

Charlie and Juanita Morales live in a typical urban neighborhood with their three children, Maria, Anton, and Lucy. Charlie is a high school language teacher, while Juanita works in the city's urban planning department. Maria and Anton attend the local public school while Lucy is just starting kindergarten this year. Having rented for all of their 15-year marriage, it is the Morales' dream to own their own home.

The Morales' have already begun learning more about how to prepare for homeownership by attending seminars offered at a local bank. They have learned that their first priorities are to begin saving for the down payment and other costs of buying a home and to reduce their current debt load so that they will be able to afford the mortgage.

While they are aware of these key steps, neither Charlie nor Juanita is sure how to begin. They try to watch their expenses pretty carefully each month; they have never really written these financial activities down or tried to set specific financial goals and adjust their behavior to achieve them.

They need advice and recommendations about what to do. Based on what your assessment here shows, what suggestions and ideas would you give them?

The Morales Household Income

At Charlie's teaching job, he earns \$950, which is paid on the 10th and 25th of each month. In addition to his teaching position, Charlie also teaches conversational language courses for adults on Saturdays at the local community college. For this part-time work, he receives \$400 that is paid in January and September of each year. Charlie's AVERAGE MONTHLY INCOME is \$1966.67.

Juanita earns \$505.25 in take home pay at her city job which she receives bi-weekly (26 payments each year). Juanita's AVERAGE MONTHLY INCOME is \$1,094.70.

Charlie and Juanita file joint tax return and usually submit their return electronically. They received their refund this month, which totaled \$1,000.

The Morales Family Expenses for the Month

The Morales family takes the first step to good budgeting: they track their actual expenses for one month. They know this is the best way to get a sense of what they are really spending their money on, day to day. Maria agrees to act as the central coordinator of the project. Each night, before she goes to bed, she asks each family member (but mostly her mom and dad) to list their daily expenses, which she then writes down in a special notebook.

Below is a summary of the Morales' expenses during the month of September, 2003. Read over this summary and complete the Tracking Summary form. For each week, enter the cost of each expense in the appropriate budget category listed.

When you have completed this, add all of the totals for each category (this requires adding the ROWS, not the columns in the form) in the final column entitled MONTHLY TOTAL. Finally, add up amounts in the Monthly Total column to arrive at the total amount the Morales' pay for expenses during the month.

Week 1:

- Juanita made their regular start-of-the-month bill payments this week, which includes a car payment of \$163.25, the monthly rent payment of \$650 and two payments on their credit cards, \$147 to Visa and \$50 to MasterCard. (Their total balance on these two cards is \$3,000 with 14% interest charge). She also paid their car insurance bill, \$115.
- The Morales miscalculated their expenses for the last month and received notification of a bounced check this week. They had to pay an overdraft penalty fee to their bank in the amount of \$30 as well as a \$15 return check fee to the store where they wrote the check. Their regular \$5 monthly checking account maintenance fee was also deducted from their savings account this month.
- Juanita withdrew \$40 from the ATM this week to pay for her lunches, for which the bank also charged her \$1.50 per withdrawal (she made 2 withdrawals).
- Charlie gave Maria and Anton weekly lunch money totaling \$20.
- Charlie bought his regular morning coffee (\$3.50 a day) and paper (\$1 a day). He buys these six days of each week. Charlie also spent \$20 on gas this week for the car.

Week 2:

- Juanita paid their mid-month bills this week, which includes \$95 for phone service (local and long distance), \$65 for utilities, \$50 for cable, and \$25 for their internet and email accounts.
- Charlie did grocery shopping this week, spending \$250 on food and another \$45 on personal care items (such as shampoo, band-aids, soap, and toothpaste).
- Juanita bought additional school supplies for Maria's computer class, costing \$45.
- Juanita withdrew \$40 from the ATM this week to pay for her lunches, for which the bank also charged her \$1.50 per withdrawal (she made two withdrawals).
- Charlie gave Maria and Anton weekly lunch money totaling \$20.
- Charlie bought his regular morning coffee (\$3.50 a day) and paper (\$1 a day). He does this six days of this week as well.
- Anton needed new gym shoes and a new winter coat, which Charlie took him to buy. The total bill came to \$145.
- Juanita deposited \$100 in savings this week, as they try to do every other week.
- Juanita bought two birthday presents for Lucy's friends who were having birthday parties later that month; the total cost was \$75.

Week 3:

- Charlie filled several prescriptions for the family this week, totaling \$80 in co-pay fees.
- Juanita withdrew \$40 from the ATM this week to pay for her lunches, for which the bank also charged her \$1.50 per withdrawal (she made two withdrawals).
- Charlie gave Maria and Anton weekly lunch money totaling \$20.
- Charlie bought his regular morning coffee (\$3.50 a day) and paper (\$1 a day). He does this six days of this week as well.
- Juanita renewed three of her favorite magazine subscriptions, totaling \$35.00.
- Maria and Anton both had field trips this week, costing the Morales' \$50.
- Juanita also sent \$150 to her mother in Mexico, as she tries to do every month. She paid an additional \$15 for the wire transfer.
- On a whim, Charlie ordered some new video games and interactive books for the children, costing \$75, with an additional \$13 shipping charge.

Week 4:

- Juanita filled the car's gas tank this week, spending \$22.00, and got the car's regular tune up, costing \$150.
- Charlie and Juanita had dinner with close friends this week at their favorite restaurant; the bill totaled \$120 for the four of them; Charlie and Juanita decided to treat their friends.
- For this night out, they paid their neighbor \$40 for babysitting.
- Charlie deposited their \$100 biweekly savings at the bank this week.
- Juanita withdrew \$40 from the ATM this week to pay for her lunches, for which the bank also charged her \$1.50 per withdrawal (she made two withdrawals).
- Charlie gave Maria and Anton weekly lunch money totaling \$20.
- Charlie bought his regular morning coffee (\$3.50 a day) and paper (\$1 a day). He does this six days of this week as well.
- Anton convinced his parents to take them to their favorite amusement park, an hour's drive north. Tickets cost \$120; they spent about \$45 on snacks and drinks and allowed each child to buy one souvenir, paying a total of \$60. Parking cost \$20, and they had to fill up on gas again on the way home, spending \$15.

Week 5:

*There are only two days in this week for the month of September.

- Juanita withdrew \$20 from the ATM this week to pay for her lunches, for which the bank also charged her \$1.50 per withdrawal (she made only one withdrawal).
- Charlie gave Maria and Anton weekly lunch money totaling \$20.
- Charlie bought his regular morning coffee (\$3.50 a day) and paper (\$1 a day). He does this for only two days of this week.

THE MORALES' ACTUAL EXPENSES: SUMMARY OF TRACKING ACTIVITY

EXPENSE ITEM	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	TOTAL
<i>Household</i>						
Family Savings						
Rent						
Personal Care						
Phone (local and long)						
Utilities (gas/elec/oil)						
Cable						
Internet/email						
Childcare/Babysitting						
Support for Other Family						
Family Clothing						
Family Entertainment						
Newspaper/Subscriptions						
Gifts						
<i>Transportation</i>						
Car Payment						
Car Insurance						
Gas for Car						
Car Maintenance/Repairs						
<i>Food</i>						
Groceries						
Work Lunches						
School Lunches						
Dining Out/Food Out						
<i>Children's School</i>						
School Supplies						
School Fees/Expenses						
<i>Medical</i>						
Medical: Prescriptions						
Medical Care						
<i>Credit & Debt</i>						
Student Loan						
Credit Card 1: Visa						
Credit Card 2: MC						
<i>Fees</i>						
Bank Acct. Fees						
ATM Fees						
Wire Transfer Fees						
Misc. Financial Fees						
	Tracking Expenses Total for Morales Family:					\$

The Morales family is already excited about all they have learned about the budget process from this first activity. While they have tried to control their spending in the past and save more money, their efforts were never successful or long lasting. It seemed that no matter what they did, they never had enough more money left over at the end of the month. Juanita and Charlie now both feel that their past efforts were not successful because they never really looked at the ways they use money from the day-to-day perspective. Charlie never realized, for example, how much his morning coffee and newspaper can really add up, and Juanita never even thought about the cost of banking and other fees and how that affects their budget.

NEXT STEP: ARE THEY SPENDING MORE THAN THEY TAKE IN?

Instructions: From the information provided about the Morales family, subtract their monthly expenses from their monthly income to determine if they are spending more than they earn, or if they are living within their means. The activity provided below will assist you.

Household Income Source	Amount
Juanita’s Avg. Monthly Income	
Charlie’s Avg. Monthly Income	
Household Average Monthly Income	

Now subtract their monthly expenses (found at the end of the Tracking Summary form) from this Total Household Monthly Income.

$$\$ \underline{\hspace{2cm}} \text{ (Income here)} - \$ \underline{\hspace{2cm}} \text{ (Enter Expenses here)} = \$ \underline{\hspace{2cm}} \text{ (End of month leftovers/deficit)} \text{ (Enter here)}$$

***Interpreting the Math: What Does That Number Mean?**

If the Answer is “0”: The Morales are spending exactly as much as they make each month. Whew! They are not spending more than they make, which is good, but they are also not leaving themselves too much room for life’s little unexpected turns.

If the Answer is \$-1 or less: The Morales have their work cut out for them. A negative number means they are spending more than they are earning in any given month. This also means they start the next month behind... Consider what will happen if they spend more than they earn every single month; each month they would start the month a little behind, continue to spend more than they have and end the month a little more behind. The cycle continues.

If the Answer is \$1 or more: Congratulations Morales Family! They are spending within their means. The key is keeping this up each month, and then the plans for paying their debt down more quickly or saving more have financial resources already in the budget to make them happen.

The Final Step: Turning the Actual Budget into the Ideal Budget

Instructions: Now that the Morales know what they spend and what's left at the end of each month, it is time to make plans for reducing spending in order to free up more money to dedicate to debt reduction and increased savings.

Review the Morales' Tracking Summary and select five to eight expense items where you think they could make reductions. Explain why you think this change should be made and be specific about the new budget amount they should use.

Expense 1:

Expense 2:

Expense 3:

Expense 4:

Expense 5:

Expense 6:

Expense 7:

Expense 8:

Now, make recommendations of ways to use the money they have regained from your expense reductions.

Debt Payment Increase Amount:

Family Savings Increase Amount:

Please describe your reasoning for these recommendations:

*OR, if you have reduced their expenses just enough for their income and expenses to equal 0, then they can use their \$1,000 tax refund to either increase savings or reduce their debts. Which would you recommend? Why?

Group Discussion:

Tracking Expenses...

- × What do Charlie and Juanita see as the value of tracking daily expenses? Do you agree or disagree?
- × What do you think of the way they involved their children in the expense tracking activity? How would you go about tracking your family's expenses for this kind of activity?
- × In what ways are your own family's expenses similar to or different from the Morales family? What kind of surprises do you think you might find if you were to track your expenses?
- × What might prompt you to make such changes in your financial life?

Spending Within Your Means...

- × If your family were to do this budgeting process, do you think you would have a positive number, negative number or "0"?
- × Which of your expenses would you think about reducing first?
- × Would you recommend using credit cards to cover the expenses that cash can't cover?
- × If you had extra cash left over at the end of each month, what would you do with it?
- × What categories are missing from this budget that your family would need to consider?

About Reducing Expense, Reducing Debt, and Saving More...

- × Plans to reduce spending are useful only if family members actually change their spending habits each day. Has your family ever made a concerted effort to reduce spending together? What are some of the successes and challenges you faced?
- × If your family has not yet tried this, how would you go about getting started? What do you think some of the challenges would be? Where are the areas you would concentrate on first?
- × Because Charlie and Juanita are paying more each month to reduce their debt and/or adding more to their savings each month, they will be financially prepared for buying a home faster. What are the benefits of this? What are some potential pitfalls?
- × How would you recommend the Morales family handle emergency expenses for their family?

ANSWER KEY for: THE MORALES' ACTUAL EXPENSES: SUMMARY OF TRACKING ACTIVITY

EXPENSE ITEM	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	TOTAL
<i>Household</i>						
Family Savings		100		100		200
Rent	650					650
Personal Care		45				45
Phone (local and long)		95				95
Utilities (gas/elec/oil)		65				65
Cable		50				50
Internet/email		25				25
Childcare/Babysitting				40		40
Support for Other Family			150			150
Family Clothing		145				145
Family Entertainment			88	225		313
Newspaper/Subscriptions	6	6	41	6	2	61
Gifts		75				75
<i>Transportation</i>						
Car Payment	163.25					163.25
Car Insurance	115					115
Gas for Car	20			37		57
Car Maintenance/Repairs				150		150
<i>Food</i>						
Groceries		250				250
Work Lunches	40	40	40	40	20	180
School Lunches	20	20	20	20	20	100
Dining Out/Food Out	21	21	21	21	7	91
<i>Children's School</i>						
School Supplies		45				45
School Fees/Expenses			50			50
<i>Medical</i>						
Medical: Prescriptions			80			80
Medical Care						
<i>Credit & Debt</i>						
Student Loan						
Credit Card 1: Visa	147					147
Credit Card 2: MC	50					50
<i>Fees</i>						
Bank Acct. Fees	5					5
ATM Fees	3	3	3	3	1.50	13.50
Wire Transfer Fees			15			15
Misc. Financial Fees	45					45
	Monthly Expenses Total for Morales Family:					\$3,470.75

ANSWER KEY: ARE THEY SPENDING MORE THAN THEY TAKE IN?

Household Income Source	Amount
Juanita's Avg. Monthly Income	\$1094.70
Charlie's Avg. Monthly Income:	\$1966.67
Total Avg. Household Monthly Income:	\$3061.37

$$\begin{array}{r} \$ \underline{3061.37} \\ \text{Income here} \end{array} - \begin{array}{r} \$ \underline{3470.75} \\ \text{(Enter Expenses here)} \end{array} = \$ \underline{-409.38} \quad \text{(Enter} \\ \text{End of month leftovers/deficit)} \end{array}$$

Conclusion: They are spending more than they earn as income.

36. The Day-to-Day Life of Money in Your Family

Objective: Participants will create a family budget, assess their spending habits, and use the budget to identify areas for improvement in their spending activity.

Time: 20 minutes in class

Materials:

Handouts and a calendar to schedule the follow-up class or appointments.

Note to Trainer:

This is an activity to introduce in class and ask families to work on at home. After four weeks, reconvene the class or make appointments to meet with families on an individual basis. Review the family budgets and offer help to improve them.

This activity follows through the same steps of the Morales Family Case Study found in the previous activity. It is suggested that the Morales case study is done in class and that participants go home and do their own family budget with this activity. Emphasize for participants that there are worksheets to assist in accomplishing each step. Also note areas where you may want to reinforce certain skills for participants (e.g., converting weekly income to a monthly number).

Talking Points:

Discuss with class participants why this is an important exercise. Get buy-in before they take the exercise home.

Activity:

Review with the class the five steps of developing a budget and review the instructions throughout the family budget exercise.

Handout: Five Steps to Developing a Budget

Step 1: Create a detailed picture of your current financial life as a family.

- **INCOME:** Review all your sources of income for four weeks (for each spouse, other family members contributing to the household, tax refunds, earned income tax credit, child support, and cash for gifts or odd jobs).
- **EXPENSES:** Track the expenses of each member of your family for at least four weeks and gather it all in one place.
- Create an **ACTUAL BUDGET**. Summarize the information to create an average monthly budget for your family, based on what you actually spend, day to day.

Step 2: Assess whether you are spending more than you are earning.

- Subtract what you actually spent from what you actually earn.

Step 3: Discuss as a family whether you need to make changes to your spending habits:

- If you are spending more than you earn as a family, then reducing spending is probably your first step. If you are not spending more than you are earning, you may still want to reduce some of your expenses. Consider using what you save to reduce debt or to start saving regularly as a family.
- Be sure to discuss areas where there may be increases in spending (i.e., paying more on your debts or planning for a baby).
- Be sure to include “my” money for each person in the family in the budget. It is important to realistically deal with personal spending or your family won’t be able to stick to the budget.
- Make sure that the reductions you make are realistic: Do not reduce your food budget to \$50 per month; family members may fail at this goal.
- Emphasize the importance of reducing spending to receive other financial benefits in your lives: If you spend less you can save more and buy an asset that helps the whole family (like a home, car, or computer).

Step 4: Document your new budget and double check your math.

- Create a family budget and share it with everyone in the family.
- Double check your math: Are you now spending less than you earn? If not, you may need to reduce your expenses again.
- Another way to ease financial burdens is to increase your income. Would this be possible for your family? Could someone take on an extra job or do some work from home? Is it possible to ask for a raise or work more hours?
- Repeat the steps above as many times as it takes to get the budget right.

Step 5: Celebrate your success and get back on track when you slip.

- Create a way to check in with the whole family regularly: Is everyone sticking to the spending reduction plan? Does anyone have a new financial need coming up that you need to prepare for?

Handout: CREATING A FAMILY BUDGET

Step One:

Adding up Your Family's Income

Our Family Income Statement is a table for totaling your total household income. Be sure to use your take home pay (net, not gross) from your employment. Indicate how often you receive this income (i.e., weekly, bi-weekly, once a month, every three months, every six months, once a year or occasionally) in the Frequency column. Then convert this to a monthly amount and place that value in the monthly column. Once you have filled all of this in, add up the monthly totals to get your Total Monthly Family Income. You will use this figure later in the budgeting process.

Tracking your Day to Day Expenses

Knowing how you spend money is key to understanding your finances. Sort through the details of your spending. Some of these spending habits may surprise you. You may not realize that the small amount you spend on every day things, like lunch, newspaper, or coffee, adds up to a lot over the course of a year.

The most challenging (and most important part) of a budget is including every item you spend money on from “pocket” change spent on the morning coffee and newspaper to things such as rent that are regular and essential for living. Let's not forget those periodic expenses that you do not see each month, such as cash gifts, insurance payments, or taxes. Tracking “my” money or personal expenditures is an important part of the budgeting process. Realistically incorporate this spending into the family budget or the budget will just be a piece of paper and not something the family will be able to achieve.

Tracking expenses can seem very hard—it takes time. It forces us and our family members to be honest about how we spend money. Don't be discouraged! This is the first step towards building the *money management* skills that will help you fulfill your family's dreams and goals.

How to track:

Keep a written record of the expenses of your family members that is updated every day or so. Waiting a few days before writing them down will likely lead to incomplete records as you may forget small items.

Many people carry a small notebook and pen around and jot down items they've bought throughout the day. Other people collect receipts, which they add up at the end of the day.

Make the expense tracking a team effort for your family. Consider giving jobs for expense tracking to the children to keep them involved. They might enjoy writing in the notebook or collecting receipts. Some couples get together for 15 minutes each evening to review their expenses together, helping each other remember what they spent that day.

When you have tracked four weeks of expenses, summarize all the information on the Our Family's Actual Expenses sheet.

TIP: You can change the categories in the left-hand column to better reflect your expenses. Pick an expense definition list together and stick with it.

OUR FAMILY INCOME STATEMENT

INCOME SOURCE	INCOME AMOUNT	FREQUENCY	MONTHLY TOTAL
Salary for _____ :			
Salary for _____ :			
Salary for: _____ :			
Tips:			
Employment Bonuses:			
Food Stamps:			
Child Support/Alimony:			
Public Assistance:			
Unemployment:			
Social Security:			
Disability:			
Stipend/Allowance:			
Contract Work:			
Retirement:			
Tax Refund/EITC:			
Interest Earned on checking, savings accts:			
Financial Aid:			
Other (i.e., gifts):			
	Total Monthly Family Income:		

OUR FAMILY'S ACTUAL EXPENSES

EXPENSE ITEM	WEEK 1	WEEK 2	WEEK 3	WEEK 4	MO. TOTAL
Other:					
<i>Savings and Investment</i>					
Savings and/or IDA					
Other:					
Other:					
<i>Personal Money</i>					
"My" Money for _____					
"My" Money for _____					
"My" Money for _____					
<i>Household</i>					
Rent/Mortgage					
Home Repair/Maint					
Phone (local and long)					
Cell Phones/Pagers					
Utilities (gas/electric/oil/ water/sewer)					
Cable					
Internet/email					
Child Support/Alimony					
Childcare/Babysitting					
Support for Other Family					
Family Entertainment					
Clubs, Sports, Hobbies					
Vacations					
Pet Care					
Membership Dues					
Newspaper/Subscriptions					
Work Uniforms					
Family Clothing/Shoes					
Haircuts/Beauty					
Personal Care Items					
Household Items					
Gifts					
Other:					
Other:					
Other:					
Other:					
<i>Transportation</i>					
Car Payment (loan/lease)					
Car Insurance					
Gas for Car					
Car Maintenance/Repairs					
Plane Fare					
Taxi Fare					
Other:					

MORE EXPENSE ITEMS	WEEK 1	WEEK 2	WEEK 3	WEEK 4
<i>Food</i>				
Groceries				
Work Lunches				
School Lunches				
Dining Out/Food Out				
Other:				
<i>Children's School</i>				
Tuition				
School Supplies				
School Fees/Expenses				
School Uniforms				
Other:				
<i>Health</i>				
Prescriptions				
Medical Care				
Dental Care				
Long-term Family Care				
Other:				
<i>Insurance</i>				
Car Insurance				
Life Insurance				
Health Insurance				
Disability Insurance				
Home/Renter Insurance				
Other:				
<i>Credit & Debt</i>				
Student Loan				
Credit Card 1:				
Credit Card 2:				
Credit Card 3:				
Credit Card 4:				
Personal Loan				
Gas Card				
Department Store Card				
Unpaid Medical Bills				
Other:				
<i>Fees</i>				
Bank Acct. Fees				
ATM Fees				
Wire Transfer Fees				
Late Fees/Delinquencies				
Money Order Fees				
Miscellaneous Financial Fees				
TOTAL FAMILY MONTHLY EXPENSES:	\$	\$	\$	\$

Step 2: Are We Spending More Than We Take In?

Instructions: From totals found in your Family Income Statement and Actual Expenses, subtract the monthly expenses from your monthly income. The formula provided below will assist you. Once you have finished the calculation, refer to the table below to interpret its meaning.

$$\text{\$ } \underline{\hspace{2cm}} - \text{\$ } \underline{\hspace{2cm}} = \text{\$ } \underline{\hspace{2cm}}^*$$

(Enter Income Total here) (Enter Expenses Total here) (End of Month Surplus/Deficit)

*Interpreting the Math: What Does That Number Mean?

The “End of Month Surplus/Deficit” refers to the amount of money (or the lack of money!) that your family has at the end of the month.

If the Answer is “\$0”: Your family is spending exactly as much as you make each month. Whew! You are not spending more than you make, which is good, but you are also not leaving too much room for life’s little unexpected turns. Do you save regularly? Do you have an emergency fund account? (It is generally suggested to equal three months worth of income, but any amount is good.) Find ways to cut your spending in order to save more.

If the Answer is -\$1 or less: A negative number means your family is spending more than you are earning. This also means you start the next month behind. If this happens for months at a time, the negative number will increase. In this situation, your work is cut out for you. There are two ways to improve a budget: Increase your income or decrease your expenses. Examine both options carefully as a team and use this budgeting exercise to turn in a positive direction.

If the Answer is \$1 or more: Congratulations! You are spending within your means. The key is keeping this up each month, and then to find ways to improve your financial situation further. Consider reducing more of your debt or increasing your savings, think about diverting funds to an emergency fund savings account or to retirement or college savings accounts for more long-term family goals.

Step 3: Determining Changes

When evaluating the need for changes in your family budget, there are three things to consider:

- Are your expenses accurate? What items might come up in other months that are missing here?
- Do you have clear goals for improving your new budget (such as reducing spending or increasing income)?
- Are there any changes coming that will impact our budget? Should you plan for them now?

As a family, discuss these questions together and identify areas for improvement. Remember to review both your income and expenses. Finally, be realistic about what you can change at one time.

Step 4: Creating a new Family Budget

Use the form on the next page to summarize your new family budget. Use your previous income and expense statements and incorporate the changes your family agreed to in Step 3.

In the spaces provided below, list and describe your plans for increasing income or expectations of decreasing income. Describe when you think you will start receiving the new income and why your family feels this is a viable income option. List any anticipated increases in spending so that you can plan for them now.

Our Income Plan:

Our Spending Plan:

Final Comment on the New Budget:

Step 5: Celebrate Success and Keep Working Hard

It may take several changes to get it all right; feel free to use multiple copies of this form and give yourself the time to rewrite the budget a few times. As you do this more frequently together, it will become easier. Families grow and change a great deal over time, so your budget will change too. The more you work together to budget and to meet financial goals, the more you strengthen the family. This creates even more opportunities for celebrating success!

EXPENSE ITEM	ACTUAL BUDGET	NEW FAMILY BUDGET	DIFFERENCE
<i>Savings and Investment</i>			
Regular Savings			
Certificates of Deposit			
IRA/Pensions			
Other:			
Other:			
<i>Household</i>			
Rent			
Home Repairs/Maint.			
Phone (local and long)			
Cell Phones/Pagers			
Utilities (gas/elec/oil/water)			
Cable			
Internet/email			
Child Support/Alimony			
Childcare/Babysitting			
Support for Other Family			
Family Entertainment			
Clubs, Sport, Hobbies			
Vacations			
Pet Care			
Membership Dues			
Subscriptions			
Work Uniforms			
Family Clothing/Shoes			
Haircuts/Beauty			
Personal Care Items			
Household Items			
Gifts			
Other:			
Other:			
<i>Transportation</i>			
Car Payment (loan/lease)			
Car Insurance			
Gas for Car			
Car Maintenance/Repairs			
Plane Fare			
Train Fare			
Bus/Subway Fare			
Taxi Fare			
Other:			

EXPENSE ITEM, PG. 2	ACTUAL BUDGET	NEW FAMILY BUDGET	DIFFERENCE
<i>Food</i>			
Groceries			
Work Lunches			
School Lunches			
Dining Out/Food Out			
Other:			
<i>Children's School</i>			
Tuition			
School Supplies			
School Fees/Expenses			
School Uniforms			
Other:			
<i>Health</i>			
Prescriptions			
Medical Care			
Dental Care			
Long-term Family Care			
Other:			
<i>Insurance</i>			
Life Insurance			
Health Insurance			
Disability Insurance			
Home/Renter Insurance			
Other:			
<i>Credit & Debt</i>			
Student Loan			
Credit Card 1:			
Credit Card 2:			
Credit Card 3:			
Credit Card 4:			
Personal Loan			
Gas Card			
Department Store Card			
Unpaid Medical Bills			
Other:			
Other:			
<i>Fees</i>			
Bank Acct. Fees			
ATM Fees			
Wire Transfer Fees			
Late Fees/Delinquencies			
Money Order Fees			
Misc. Financial Fees			
Other:			
<i>Column Totals</i>	\$	\$	\$

Chapter 6: Saving Together

Chapter 6, Family Savings, provides families with strategies to spend less and save more! There are six activities in this chapter:

- × *Savings Basket* allows participants to see everyday household items on which they spend money and helps them understand what they can eliminate to better achieve their savings goals.
- × *Savings with Chocolate* allows participants to use a handful of chocolate candies to represent various items for which to save.
- × *Making Routines to Help Save Money* teaches that routines make a family run smoothly and that couples can create routines that work for them.
- × *Rules and Consequences* helps families understand the consequences of adhering or not adhering to family rules that put the family's values into action.
- × *Picture This* helps participants become more aware of the people they can count on and how to use their support.
- × *A Family Problem-Solving Approach to Savings* is a multi-step process that puts goal-setting and creating a family budget into a larger action plan.

37. *Savings Basket*

Objective: Help participants think creatively about how they can reduce spending around the house.

Time: 12 minutes

Materials:

A big basket (or a big bag) full of common household items. Either the leader can bring in the items, or participants could be asked ahead of time to each bring in two items from their home. Examples of items can include toothbrush, fork, radio, jacket, tennis racket, video, chair, etc.

Note to Trainer:

This is an easy activity that is fun in the classroom and can be repeated easily at home with the family.

Activity:

Ask the class to sit around in a circle. Place the basket or pile of items in the middle of the circle. Have someone select an item and tell the others a way to save inspired by this item. Have the next person choose another item. Go around the room selecting different items and coming up with ways to save. Encourage people to be creative and give any idea for savings that comes to mind when looking at the object. It is surprising how inspiring a toothbrush can be!

Encourage participants to re-enact this at home. Each family member can be given five minutes to run around the house and come to the kitchen table (or living room coffee table) with three household items each.

38. Saving with Chocolate

Objective: Ice Breaker to help participants think creatively about how they can save more.

Time: 5 minutes

Materials:

Bag of small chocolate candies, such as M&Ms.

Note to Trainer:

This exercise can be used either in a classroom setting or at home with the family.

Activity:

Pass around a large bag of M&Ms and ask each person in the group (or family) to take some. Be careful not to be more specific than “some.” Make sure to ask people not to eat them quite yet but to put them in front of them on a piece of paper so everyone can see.

Once everyone has taken some M&Ms, go around the room and ask each person to come up with a way to save for each M&M they chose! Those who took more M&M's will have quite a lot of saving to do!!

39. Routines Help to Save Money [☆]

Objective: Teach that routines make a family run smoothly and show that couples can create routines that work for them.

Time: 20 minutes

Materials:

Our Routine Handout

Talking Points:

Routines are repeated activities that are necessary for daily life to run smoothly and to ensure time for fun, too! Couples and families make routines to ensure that family's needs are met. For example, when children get to school and parents to work on time, without stress, family members feel comfortable and can enjoy the morning. They also don't risk losing their job or having to make more excuses to their boss. Everyone feels secure when they know what to expect. Moreover, routines teach responsibility. Routines create habits, and they are the easiest ways to get family members to do what you want them to do. Examples of routines are making meals, cleaning up toys before bedtime, or getting ready for work or school.

Activity:

Ask the class to brainstorm other routines. List them on a board or flipchart. Pick a few routines and have people describe them.

If the class needs help identifying their routines, ask questions to help stimulate conversation. For example:

- × What is your family's routine for dinner? Does every member buy his or her own food independently? This is more expensive!
- × How is dinner prepared? Do you eat as a family?

Ask people what they feel about the routines in their life.

- × Do you like your current routine for _____ (getting up in the morning)?
- × How could you improve upon it?"

Give each couple or family about five minutes to create a routine that will help them save money. Make the routine specific so each person's behavior is specific and can be observed. After about 5 minutes, ask participants/couples to share their routine with the group.

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Handout: Our Routine

Our routine is called _____

We will do it (day, time) _____

We will do it (place) _____

It will be done by (list family members) _____

What we will do step by step is:

1. _____

2. _____

3. _____

4. _____

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40. Rules and Consequences [☆]

Objective: Participants practice working together to make decisions about money.

Time: 10 - 15 minutes

Materials:

Cut out the topics on the handout and place them in an envelope or basket for class members to pick from.
Six Guidelines for Making Rules Handout

Note to Trainer:

This exercise works well with adults and children together.

Talking Points:

Rules are important to help hold the family together. Rules point the direction for the family by putting the values of the family into action. They help people to know what to expect so they can count on each other. When parents clearly say what they want and expect in the family by making specific rules, everyone can cooperate more easily and feel more in control.

Activity:

Distribute the handout on *Rules and Consequences*, and briefly explain the six guidelines for making rules that work well.

Ask everyone to get into groups of three to five. Mix men with women and children with adults. Ask one person from each group to come and select a topic from the envelope.

Ask each group to develop at least three rules, stated in the positive, for their topic.

Ask groups to report back to the large group. Then ask them to develop one reward or positive consequence for each rule followed. Then have them develop one negative consequence for each rule not followed. Remind them that the focus is on getting the job done and that part of the consequence is always to get the job done. Get reports back.

Group Discussion:

Ask individuals to share any surprises or insights they had about what they did.

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Rules and Consequences

Allowances	Gas level in the car
People selling door-to-door	Borrowing money from others
Saving money	Playing the lottery
Buying candy & snack foods	Keeping track of cash spent

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Handout: Six Guidelines For Making Rules

- 1. Make rules for what you want, not for what you don't want.** For example, instead of “If you don't do your chores each week, you won't get your allowance,” say, “After you finish your chores each week, you will get your allowance.”
- 2. Make the rules specific.** Rules that are too general are confusing and harder to follow and enforce. What does “Spend money wisely” really mean? Perhaps it is, “When buying anything above \$20, always comparison shop in at least two other stores.” A clear, specific rule is a map to follow. It tells people what behavior you do want.
- 3. Frame the consequence of rules in the positive.** Note the negatively stated, then positively stated consequence in #1 above. Reward yourself and others for good behavior. Remember, the purpose of a consequence is to teach rather than just to punish. People are more likely to follow the rule next time if the whole experience is a pleasant one and not the source of another fight.
- 4. Choose rewards and consequences that you are willing to enforce.** It's okay to take your time to decide on rewards and consequences. Consequences should be logical and reasonable outcomes of behavior. Consequences imposed in the heat of anger are usually the ones you won't enforce or be able to live with, for example, “You're grounded for a year!”
- 5. Include your children in making rules and consequences when appropriate.** You will teach cooperation and thinking skills, and they will more likely follow the rules they helped make. Even young children can be encouraged to think about what rules are needed. Avoid doing this just after a child has broken a rule. Instead, do it at a family meeting. Parents need to reserve final say in the matter, but you can show your children that you will think about their points of view, and you can have some of the decisions reflect their wishes. This is where you teach them about trades and compromises, give and take.
- 6. Tell your children each rule before they break it and check for their understanding.** Say the rule, the reward for following it, and the consequence for not following it. Then, ask your children to say in their own words what you said.

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41. My Village [☆]

Objective: Help participants be more aware of how they can count on their community of friends and family for help and advice.

Time: 15 minutes

Materials:

Blank piece of paper for each participant

Colored pens or marker

Talking Points:

Often, we try to do everything alone. However, when thinking of ways to save money, it is important to know and think about the resources you have in your village (your community of family and friends or people who can help support you). This exercise will help you become more aware of the people you can count on and how you might be able to use their support.

Activity:

Ask participants to draw a picture frame to fill the top half of their paper. It can be a simple or fancy frame, whatever they wish. Explain this is the picture frame for their community of support. Ask them to draw a picture of their immediate family in the center of the frame. While some people in the class may be very artistically talented, ensure the class that any symbol would do: They can draw faces or stick figures. Around the immediate family, ask them to draw in the people they see or talk to each day, each week, and each month.

In the bottom half of the paper, ask the class to make a list of the people whom they drew in the picture. Think of at least two ways each of these people could help the family save more money to reach your goal. This does not have to be financial support. In some cases, asking someone to give a smile and a reminder of the goal can help a long way in motivation.

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42. A Family Problem-Solving Approach to Savings

Objective: Give families a problem-solving tool to help them work towards their savings goal.

Time: 30 minutes

Materials:

Large study notebook

Note to Trainer:

This activity is a multi-step process that puts goal-setting and creating a family budget into a larger action plan. The activity probably fits best after you have already done these two first steps. This is also a great activity for a family workshop. You will need to supplement this activity with your favorite goal-setting and budgeting handouts, examples of which are provided in earlier sections of this resource book.

Activity:

An Eight Step Process to Successful Family Budgeting (and Problem Solving)

Step 1: Agree on the Savings Goals

Ask families to talk about their savings goal, giving all family members an opportunity to express their fears and concerns. Practicing agreement is the first step in problem-solving.

Step 2: Document the current family budget

Using one of a variety of formats, ask the family to list all of their income. Then list their expenses. Is the family currently saving on a monthly basis? Is the family adding to their debt each month by spending on credit?

Step 3: Laying out the Choices

As a family, you can help create options and alternatives for increasing family savings. What are some of the things the family or family members can do to earn more money and spend less money? Try to brainstorm without evaluating the ideas. Just put each idea down. Write each idea on a separate piece of paper and stick it to a wall so that everyone can see the ideas being generated. Encourage creativity: It often leads to effective solutions.

Step 4: Assess the Alternatives

Once the wall is full of savings options, it is time to evaluate how well the alternatives will work for the family. Go around and ask what each family member thinks of each idea. Take away or move to a bottom corner of the wall choices that the family is unwilling to try. Attempt to find savings strategies that each family member is willing to accept.

Step 5: Create an Action Plan

Once you have assessed the choices and found savings strategies for each family member, write them down. Include in the action plan:

- What the family is going to do.
For example, the family is going to save \$100 a month for 20 months towards the down payment of a home.

- What each family member is going to do.
Be specific.
- When it will be done.

A written plan makes sure that everyone understands the family decision and their part in helping it happen.

Step 6: Count up the Savings

A written plan is also helpful for keeping track of your family's savings. Each month, take the time as a family to monitor your achievements and progress toward your goal. It is also an important opportunity to remind yourselves why you are saving and motivate each other. If certain family members are having trouble with their responsibilities, help them brainstorm more alternatives for savings.

Step 7: Learning from Success

This final step is probably the most important. Once you reach your goal, take the time to learn from the situation. Take note of what worked and didn't work so that you can make adjustments to future family action plans.

Step 8: Tackle the Next Challenge

That's right! Your work doesn't stop here. You now have a family that functions well together and can competently achieve its goals. What other family issues can you tackle using this six-step process? Is there another savings goal in your future? Is your family having trouble accomplishing another kind of task? Are there feelings and emotions in the family that could be resolved? All families deal with multiple problems. Learning to identify and solve problems as they arise can lead to a more successfully functioning family. This problem-solving process can be helpful for families to work their way through many different obstacles, both big and small.

Chapter 7: Banking and Investment

Chapter 7, Banking and Investment, helps participants make wise decisions about choosing financial institution products and services. There are three exercises in this chapter:

- × *Opinions about Banking and Investment* allows family members to compare and contrast their opinions about the ramifications of using financial institutions and other money management services.
- × *Comparing Financial Products by Crunching the Numbers* assists participants in applying math skills to compare the cost and value of various financial products and services.
- × *Financial Traps and Financial Freedom* offers ways to explore financial solutions and spending behaviors that are relatively better or worse than others.

43. *Opinions about Banking and Investment* [☆]

Objective: Get people talking about banking and investment issues.

Time: 10 minutes

Materials:

A copy of the handout for the leader

3 Sheets of flipchart paper: one labeled “Strongly Disagree,” another “Strongly Agree,” and another “Undecided.”

Note to Trainer:

This activity works very well for large groups even up to 100 people! Prepare the classroom by marking one side of the room as strongly agree, the other side as strongly disagree, and the center of the room as undecided by taping up the flipchart pages accordingly.

Activity:

Let the class know that you will be calling out common statements about banking and investment. As each statement is called out, ask participants to decide how they feel about the statement: Do they agree, disagree or don’t know? Ask them to show their response by moving to the corresponding section of the room. Now, ask people in each group to explain why they agree or disagree with the statement. Make sure to ask people in the center, too: Their responses are usually equally thoughtful. Go through each statement using the same methodology.

When couples and families are in the class, encourage family members to freely go where they want and to note respectfully where their partner or family members go. Suggest that they take time soon at home to share thoughts, memories, and feelings together on these statements.

Group Discussion:

Were you surprised by the class opinions?

Were different family members in different places?

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Handout: Opinions about Banking and Investment

Statement	Strongly Agree	Undecided	Strongly Disagree
Banks are a safe place to keep my money.			
Banks offer a good return on my investment.			
The higher the return on my investment, the higher the risk of the investment.			
Banks offer financial products that are useful to me.			
When I want a loan, I go to a bank.			
Money in a bank loses money.			
When I need to cash a check, I go to a bank.			
When I need to send money to family and friends in another country, I go to a bank.			

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44. Comparing Financial Products by Crunching the Numbers

Objective: Participants will apply math skills to compare the cost and value of various financial services and products.

Time: 50 minutes, including about 30 minutes for crunching the numbers for both case studies in small groups and 20 minutes for reporting back to the larger group for discussion. Alternatively, you can do the activity in 30 minutes by assigning each case study to a different group.

Materials:

Paper and pencils with erasers

Calculator for each small group and for the trainer

Scrap paper

Note to Trainer:

Highlight that math is an important tool for comparing the costs of financial services and products such as the cost of a checking account, check cashing, ATM machines, etc. In order to do the math correctly, it is important to know how to factor in key elements such as length of time, frequency of charges, and balancing interest earnings with fees charged (the “return”).

This activity can be accomplished in 30 minutes by assigning different case study problems to each group so each group gets only one to work out. The small-group presentations to the whole group will fill in everyone’s understanding of all three case study problems.

Activity:

Divide the participants into groups of two couples each or small groups of 2-4. Provide each group with the word problems, scrap paper, pencils, and a calculator.

Assign the case studies to each group. Allow 30 minutes for completion of all three problems (or 10 minutes for one). Before they begin, let them know that they will be presenting their answers to one or more of the problems for the larger group discussion. Ask them to designate a “reporter” to explain how they calculated the answers. As the groups work, walk around the room with a calculator and be prepared to answer questions.

Reconvene the class as a whole and lead a group discussion to review the activity.

Group Discussion:

What are some things we can look at to compare the prices of financial products?

- ✓ Minimum balance requirements and fees
- ✓ Interest rates
- ✓ ATM fees
- ✓ Check ordering and processing fees
- ✓ Monthly account maintenance fees
- ✓ Other fees (such as NSF – insufficient funds)

Encourage each participant to go home and look at the financial product used as a couple and calculate their costs. Follow up the next week to see if any couples learned they should change or keep their current product package.

CASE STUDIES FOR COMPARING FINANCIAL SERVICES PRODUCTS

CASE 1: Day-to-Day Checking

Jason and Isabelle just got married. As they start their new life together, they want to figure out the best way to manage their money jointly. Jason has always cashed his paycheck at a local check casher and used money orders to pay bills. Jason also saves regularly out of each paycheck by stowing cash away in his secret spot at home. Isabelle, on the other hand, has always used a checking account (where her paycheck is automatically deposited every two weeks by her employer and from which she pays all her bills). She also has a savings account for emergencies and for major expenses like gifts.

As they discuss which of these two methods should be the one they use together, they find themselves having their first disagreement as a married couple—each one thinks his or her method is better.

Jason and Isabelle decide to compare the affordability of these two methods. Which is less costly, check cashing and money orders or using bank accounts?

***Jason's Method**

Jason cashes two paychecks each month at a PayRite Check Cashers near his job. Each check cashing transaction costs him \$2.50. In addition, he buys four money orders with his first paycheck of the month and three money orders with his second paycheck. Each money order costs \$1.50.

- 1) How much is Jason paying each month in check cashing fees?
- 2) What does that add up to for the year?
- 3) How much is Jason paying for money orders each month?
- 4) What is the total cost of money orders for the year?
- 5) What is the total annual cost of this method (check cashing + money order fees)?

*Isabelle's Method

Isabelle has an account at ABC Bank and pays no fee for having her paycheck directly deposited into her checking account. She pays \$12 once a year for a box of checks and also pays a \$4 monthly fee for using the checking account. She also withdraws spending money from her checking account twice a month at an ATM. The ATM withdrawal is free when she goes to her bank, but unfortunately there is no ABC branch near her work. Usually one time per month she uses the local National Bank near her job. National Bank charges her \$2.00 each time she uses their ATM. Isabelle's savings account is free and has a minimum balance requirement of \$50 that she always maintains.

a) How much is Isabelle paying each month for her checking account?

(Hint: Don't forget to divide up the \$12 ANNUAL fee for the checks themselves and to add her ATM withdrawals to the monthly fee).

b) How much is Isabelle paying annually for her checking account?

Conclusion:

- Whose method is cheaper monthly and annually?
- Whose method for saving is safer?

CASE 2: Long-term Saving

Maria and Andre have saved \$3,000 in their joint savings account and now feel ready to invest these funds in a certificate of deposit (CD), where they know the money will earn more interest. They also know they will not need these funds for at least 12 months, when they plan to buy a used car. They have selected information about CD products offered at three local financial institutions, including the Neighborhood Credit Union where they are members and have a checking and savings account.

Compare the interest earnings and fees for these products and decide which one offers the best return on Marie and Andre's investment?

- Neighborhood Credit Union: 12-month CD earning 4% interest.
- ABC Bank: 12-month CD earning 5% interest but requiring them to open a checking account with a \$5.00 monthly usage fee. This would be an additional cost because Maria and Andre want to maintain their checking and savings accounts at the Neighborhood Credit Union.
- XYZ Savings and Loan: 12-month CD earning 6% interest but requiring them to open a checking account with Internet access that costs \$10 / month. This would be an additional cost because Maria and Andre want to maintain their checking and savings accounts at the Neighborhood Credit Union.

**Calculate interest on the \$3,000 balance only one time during the term.*

- a) Which of these three CD's offers the highest interest rate?
- b) Which of these has the highest fees?
- c) Which offers the greatest return for the investment?
Hint: Subtract total annual fees from annual interest earnings.

CASE 3: Financing Purchases

Juanita and her mother, Magda, just bought a home together. They want to buy a dining room set to make the new place feel like home for Juanita's three children.

One evening, Magda sees a lovely dining set at the local furniture store and takes Juanita to see it. The set is on sale for \$600 with a regular retail price of \$725. While they both love the set, they do not have \$600 in cash right now to buy the set outright. Magda tells Juanita that the store manager offered her special financing, where they could have the furniture now and pay monthly installments of \$35 for the next two years, with no down payment. Juanita thinks they should wait and save the money first; she estimates that it will take eight months or so to save the full amount. But Magda is concerned that if they wait, they will lose the sales price and end up paying more for the set at the retail price.

Is Magda right? Will they pay too much if they wait and save money, paying the full retail price later? What is the most expensive?

- a) At the end of two years of finance payments, how much will Magda and Juanita have paid for the dining set?
- b) What is the difference between the sales prices and what they will pay for their two-year financing deal?
- c) What is the difference between the regular retail price and what they would pay with financing?
- d) So is Magda right? Will they pay too much if they take the time to save money and pay full retail price later? What is the more expensive option?

CASE 4: Choosing Banks

David and Tina are having their first baby together. As they make preparations for their growing family, they have decided to consolidate their finances, using only one financial institution for their checking and savings accounts. David has been a member of an employer-based credit union while Tina has used BigTown Bank, which has a branch located near her work.

By comparing the terms of the products offered by each institution, which will be less costly for them to use?

For all the calculations, keep in mind that David and Tina know their financial behaviors well. They know, for example, that they typically order checks twice a year to cover all of their bill payments; they get cash from an ATM at their bank or credit union one time per month and at an ATM at another bank an average of three times per month. Finally, they know that the amount they have saved in any given month fluctuates a lot since they both use savings for big purchases; it never drops below \$100, though it will drop below \$500 for an average of three months out of the year.

The Credit Union:

Checking Account: \$12 check ordering fee
\$ 2 monthly account maintenance fee
\$ 0 ATM per use fee at credit union; \$2.00 ATM per use fee at another bank
Savings Account: \$ 3 monthly fee if the balance drops below \$100

BigTown Bank:

Checking Account: \$15 check ordering fee
\$ 5 monthly account maintenance fee
\$ 0 ATM per use fee at bank; \$1.50 ATM per use fee at another bank
Savings Account: \$ 4 monthly fee if balance drops below \$500

Questions:

- What is the total annual cost of each checking account? Which is less expensive?
- What is the anticipated cost of each savings account? Which will be less costly for them?
- Which financial institution will be the least expensive for them?

Case Study Instructor's Answer Key

CASE 1: Day-to-Day Checking

JASON'S METHOD

How much is Jason paying each month in check cashing fees?

KEY INFO: Jason cashes two checks per month, costing \$2.50 EACH.

MATH: $2.50 \times 2 = \$5$ per month

- 1) What does that add up to for the year?

MATH: $\$5/\text{month} \times 12 \text{ months} = \60 per year.

- 2) How much is Jason paying for money orders each month?

KEY INFO: Jason buys seven money orders at 1.50 EACH every month.

MATH: $(\$1.50 \times 7) = \10.50 per month for money orders.

- 3) What is the total cost of money orders for the year?

MATH: $\$10.50 \text{ per month} \times 12 \text{ months} = \126 per year

- 4) What is the total annual cost of this method (check cashing + money order fees)?

KEY INFO: Use ANNUAL figures--\$60 for check cashing and \$126 for money orders.

MATH: $\$60 + \$126 = \$186$ per year is Jason's total cost for his method.

ISABELLE'S METHOD

- 1) How much is Isabelle paying each month for her checking account?

KEY INFO: She has a \$4 monthly checking account fee, one ATM fee per month and an annual \$12 check printing fee.

MATH: $\$12/12 = \1 monthly checking printing fee.

$\$1 + \$4 + \$2 \text{ (ATM)} = \7 per month.

- 2) How much is Isabelle paying annually for her checking account?

MATH: $\$7 \text{ per month} \times 12 \text{ months} = \84 annually.

CONCLUSION: Whose method is less expensive monthly and annually?

ANSWER: Isabelle's. Jason's monthly fees are \$15.50 per month (check cashing fees plus money order fees) while Isabelle's are only \$7 per month. Jason's fees are \$186 per year while Isabelle's are only \$84. Jason's method costs more than TWICE as much as Isabelle's.

CASE 2: Long-Term Saving

- a) Which of these three CD's offers the highest interest rate?

ANSWER: XYZ Savings and Loan with an interest rate of 6%.

- b) Which of these has the highest fees?

ANSWER: XYZ Savings and Loan with a combined annual fee of \$120.

- c) Which offers the greatest return for the investment?

KEY INFO: Calculate the return for each CD multiplying the interest rate by \$3,000, subtract the fees from each, and then compare the three.

MATH:

Neighborhood Credit Union: $\$3,000 \times 0.04 = \120 RETURN

ABC Bank: $\$3,000 \times 0.05 = \$150 - \$60$ annual fee = $\$90$ RETURN

XYZ Savings and Loan: $\$3,000 - 0.06 = \$180 - \$120$ annual fee = $\$60$ RETURN.

ANSWER: Neighborhood Credit Union offers the best RETURN ON INVESTMENT.

CASE 3: Financing Purchases

- a) At the end of 2 years of finance payments, how much will Magda and Juanita have paid for the dining set?

MATH: $\$35$ per month $\times 24$ months = $\$840$.

- b) What is the difference between the sales price and what they will pay for their 2-year financing deal?

KEY INFO: Use the answer above of $\$840$ and subtract $\$600$ from that.

MATH: $\$840 - \$600 = \$240$.

They will pay $\$240$ over the sales price for financing the set.

- c) What is the difference between the original retail price and what they would pay with financing?

MATH: $\$840 - \$725 = \$115$.

The financing costs $\$115$ MORE than the retail price.

- d) So is Magda right? Will they pay too much if they take the time to save money and pay full retail price later? What is the most expensive option?

ANSWER: Magda is incorrect. While the sales price of $\$600$ is a savings IF they paid in cash right then, the financing will cost more than the retail price of $\$725$. The financing is the most expensive option offered here.

CASE 4: Choosing Banks

Key Info for answers below: Order checks twice per year

Make ATM withdrawals three times/month at another bank

Savings never goes below $\$100$

Savings DOES drop below $\$500$ three times/year

- a) What is the total annual cost of each checking account? Which is less expensive?

MATH: Credit Union Account: $(\$12 \times 2) + (\$2 \times 12) + (\$2 \times 3 \times 12) = \120

BigTown Bank Account: $(\$15 \times 2) + (\$5 \times 12) + (\$1.5 \times 3 \times 12) = \144

The Credit Union is less expensive.

b) What is their anticipated cost for the savings accounts for David and Tina? Which will be cheaper for them?

There is no expected cost of having a savings account at the credit union because David and Tina will not incur the \$3 monthly fee. As stated above, they do not let their balance go below \$100.

David and Tina will incur a fee at BigTown Bank three times each year because the minimum balance for that account is \$500. BigTown Bank Account: $\$4 \times 3 = \12

Therefore, the Credit Union Savings Account will be cheaper for them.

c) Which financial institution will be the least costly for them?

The Credit Union.

	Credit Union	Big Town Bank
Checking Account	\$120	\$144
Savings Account	\$0	\$12
TOTAL	\$120	\$156

45. *Financial Traps and Financial Freedom* [☆]

Objective: To help families think of alternative financial options instead of some common financial traps.

Time: 10 minutes

Materials:

Flipchart

Activity:

Ask the class to brainstorm situations that they consider financial traps. Write up their ideas on a flipchart or blackboard.

For each item on the list, ask the class why they consider these things to be financial traps for their family.

Discuss the following financial traps if they were not brainstormed by your class:

- Check cashing stores (You pay a high fee for this service.)
- Payday Loans (You pay a high fee for this service.)
- Rental Centers (You can end up paying much more than if you had bought the items.)
- Disconnect Notices (You have to pay to get reconnected.)
- Dollar Stores (You buy a lot of junk that doesn't last.)
- Impulse Buying (You buy things you don't need and maybe don't really want.)
- Fast Food Restaurants (You can eat cheaper at home.)
- Going to the Grocery Store Hungry (You tend to buy more.)
- Credit Cards (You may buy more than your income can afford and pay a lot in interest charges if you don't pay off the balance right away.)

Now, for each of the traps, discuss a positive alternative. For example, instead of going to a check cashing store, they can open a checking account at a local credit union.

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Chapter 8: Credit and Debt

Chapter 8, Credit and Debt, provides activities to help families discuss credit and set guiding principles to better manage their debt. There are five activities in this chapter:

- × *Articulating Family Principles about Credit* helps couples develop their own guiding principles for the use of credit in their families.
- × *Opinions about Credit and Debt* allows families to share their opinions and understanding about how to use credit.
- × *Love and Marriage: Debt and Credit* educates couples about how each other's credit affects the couple and family as a whole and how to repair the couple's credit over the long term.
- × *Joint Credit* defines various forms of account ownership for credit cards and the risks and responsibilities associated with each. Participants will then assess these forms of ownership for their own families.
- × *Family Credit Decisions: Role Playing* provides two "real-life" role plays to encourage discussion on making decisions about using credit as a family.

46. Articulating Family Principles about Credit

Objective: Participants will develop their own guiding principles for the use of credit in their families.

Time: 60 minutes, providing about 15 minutes to introduce the activity, 30 minutes for the participants to carry out the activity, and 20 minutes for reporting out and discussion.

Note to Trainer:

This activity is specifically for families or couples. If you do have families or couples in your training and workshop, this activity might be a nice activity for participants to be asked to do at home with their families. You can then set up time in a subsequent class for IDA participants to report back their family principles.

Materials:

Handouts

Pen and paper for family scribe

Flipcharts and markers for displaying credit principles in larger format for presentation back to group

Talking Points:

Most people in the US are bombarded with credit offers. We receive mailings for credit cards, see “EZ Credit” commercials and advertisements on billboards and TV, and receive appealing offers for store credit while we are shopping. Each adult member of the family is asked to make credit decisions on a daily basis. And more and more, children are also being targeted for credit cards.

Developing family principles about credit can be especially helpful. By creating guidelines together about how the family wants to use credit, individual family members will be empowered to make good credit decisions for the entire family, even while being invited to apply for or use more credit. When we state what our principles are on a matter, we are trying to communicate what we most value on that matter. This allows us to lay the groundwork for future decisions and to review how we want to manage this area of our lives.

Activity:

After the initial introduction, break out the group into family groups to create their family principles about credit. Hand out the activity sheets provided below. Review the instructions for the activity as written on the handout, and review the sample provided as well. Give participants 30 minutes to review the discussion questions and create their principles. Float around the room and answer questions when asked. Reconvene as a large group after 30 minutes and have the family scribe report family principles to the larger group.

Handout: Creating Credit Principles for Our Family

Directions:

Your family will work together to create family principles for using credit. For each area of credit, review the discussion questions provided, allow all members of the family to answer each question, and then decide together what statement you want to make that can serve as a guideline for your entire family in making credit decisions for that area.

This may be an involved discussion for your family; there may be several areas where people disagree. So, please allow everyone to share honestly and work towards achieving family consensus.

Here is a sample used by another family, to give you a sense of how these principles might look or sound:

The Smith Family Credit Principles

- 1. Credit is a means for acquiring important things in a convenient way; it is not the key to living outside our means. We do not believe in living outside our means.*
- 2. We will discuss as a family before we apply for credit and credit cards, and we won't apply for more credit than we need.*
- 3. Paying bills on time is critical for us to maintain good credit.*
- 4. Having a good credit history is important: Each adult in the Smith family will have one individually-owned credit card.*
- 5. Passing on to the next generation is important: We will manage our debt so that it does not burden our children.*

How to Create a Principle: A principle is generally not too specific (It does not say, for example, that the Smiths will pay their Visa bill by the 10th of each month.) But a principle states values that you hold and how those values will shape the family members' behaviors (e.g., each adult will have a separate credit card to establish credit history BECAUSE a good credit history is important). The most important thing is that you feel these principles reflect who you are and state what you want, in your own words.

Family Discussion Questions

Use of Credit

- ✓ What are your typical reasons for using a credit card, day to day?
- ✓ What types of expenses are okay for using a credit card?
- ✓ How many credit cards do you want to have open at any given time?
(include department store card and gas cards in this as well)

The _____ Family Principles on the Use of Credit:

1)

2)

Payment of Bills

- ✓ What is the ideal monthly payment for a credit card bill - minimum balance, more than minimum, paying the balance in full, or less than the minimum?
- ✓ What is your typical monthly payment for credit card bills?
(compare with the “ideals” above)
- ✓ When do you typically pay your credit card bills -- before the due date, on the due date, or after the due date?
- ✓ Do you think that paying these bills on time is important? Do you believe that it affects your overall credit record and rating?

The _____ Family Principles on the Payment of Bills:

1)

2)

Credit Ownership

- ✓ Do you have any concerns about sharing responsibility for each other’s debt?
- ✓ Does one of you manage debt better than the other?
- ✓ Do you see value in maintaining some separate accounts to establish individual credit histories?

The _____ Family Principles on Credit Ownership:

1)

2)

Learning about Credit

- ✓ Assess your overall knowledge about credit and how it works (know a lot, know some, know very little, or know nothing).
- ✓ How important is continuing to learn about credit management for you?
- ✓ What is the practical value of learning about credit, if any?

The _____ Family Principles on Learning about Credit:

1)

2)

Credit and the Next Generation

- ✓ What mistakes would you want to make sure your children avoid when using credit?
- ✓ What good habits would you like your children to learn about credit?
- ✓ What are you doing to show your children good credit behaviors?

The _____ Family Principles on Credit and the Next Generation:

1)

2)

Now, please summarize all the credit principles for your family on one page. Post this page somewhere prominently in the house, like on the refrigerator, as a reminder.

The _____ Family

Credit Principles

1.

2.

3.

4.

5.

6.

7.

8.

47. *Opinions about Credit and Debt* [☆]

Objective: Ice breaker to get people talking about credit and debt issues.

Time: 10 minutes

Materials:

A copy of the handout for the leader.

Three sheets of flipchart paper: one labeled “Strongly Disagree”, another “Strongly Agree” and another “Undecided”

Note to Trainer:

This activity works very well for large groups, even up to 100 people! Prepare the classroom by marking one side of the room as strongly agree, the other side as strongly disagree, and the center of the room as undecided by taping up the flip chart pages accordingly.

Activity:

Let the class know that you will be calling out common statements about credit and debt. As each statement is called out, ask participants to decide how they feel about the statement: Do they agree, disagree, or don't know? Ask them to show their response by moving to the corresponding section of the room. Now, ask people in each group to explain why they agree or disagree with the statement. Make sure to ask people in the center too, their responses are usually equally thoughtful. Go through each statement using the same methodology.

When couples and families are in the class, encourage family members to go freely where they want and to respectfully note where their partner or family members go. Suggest that they take time soon at home to share thoughts, memories, and feelings together on these statements.

Group Discussion:

Were you surprised by the class opinions?

Were different family members in different places?

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Handout: Opinions about Credit and Debt

Statement	Strongly Agree	Undecided	Strongly Disagree
I always pay my loans fully and on time.			
I understand how to obtain credit and manage my debts.			
I always pay off my credit card every month and don't have a balance.			
Around the holidays or special occasions, I may keep a balance on my credit card.			
I know what interest rate I am paying on all of my loans and credit cards.			
I think about how much money I have when I want to make a purchase.			
I think about how much credit I have available when I decide to make a purchase.			
My monthly loan payments are less than 30% of my monthly net income.			
I share my credit card with at least one family member.			
I know how to calculate my debt to income ratio.			

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48. *Love and Marriage: Debt and Credit*

Objective: Educate couples about how each spouse's credit affects the couple and family as a whole and how to repair the couple's credit over the long term.

Time: 15 minutes

Talking Points:

Married couples take on each others debt and credit ratings, for better or for worse. That is because when you marry, your credit is co-mingled. For better: If a partner who has little or no credit history marries someone with good credit, they will gain access to this good credit. Unfortunately, this can work the other way, too. If you have good credit and marry someone with bad credit, you may have to pay higher interest rates in the future on joint purchases, or you may be denied credit because of the risk your partner poses to the lender.

Activity:

Present the following case of Anita and Jason and discuss as a class.

Anita has had a stable job for years and a good income. She has also been careful to keep a clean credit history taking on only a small amount of debt, which she is careful to pay timely and fully each month. Then, Anita fell in love with Jason: They got married and wanted to buy a new home. Unfortunately, Jason's credit was terrible. Anita's income alone could not support the mortgage on the home, but when they combined their income, they also combined their debt. So, they were turned down.

Group Discussion:

- × What can be done to build stronger credit over the long term for Anita and Jason?
- × How can this conversation take place while they are falling in love?
- × What can they do together to improve Jason's (their combined) credit?
- × What sacrifices (i.e. postponed purchases, increasing savings, paying down, or consolidating debt, etc...) is Anita willing to make to have a better joint credit situation longer-term? What about Jason?

49. Joint Credit

Objective: Participants will identify and define various forms of account ownership for credit cards and the risks and responsibilities associated with each. Participants will then assess these forms of ownership for their own families.

Time: 35 minutes, including 10 minutes of presentation, 15 minutes for small groups to complete case study exercises, and 10 minutes for sharing with the larger group.

Materials:

Joint Credit: What Is It? Handout

Joint Credit: What are its Risks and Responsibilities? Handout

Joint Credit Activity Worksheet

Talking Points:

Because families share debts, it is important to know about the different types of credit card / debt ownership and what the risks and responsibilities are for each. This exercise provides an overview of the different forms of account ownership for credit cards and other loans as well as some risks/responsibilities associated with each.

Activity:

Hand out the two information handouts on Joint Credit and review the information provided with the entire class.

Divide the class into small groups, grouping couples and/or families together where possible. Hand out the *Joint Credit Activity* worksheet and give the class 10 minutes to finish the exercise. While couples are working together, float around and offer assistance, if requested.

When the group work is completed, ask each group to report its conclusions.

Group Discussion:

If you were giving advice to a couple who is weighing this decision, what questions would you ask them? What advice would you give them? What tips do you have to help a family think this through together?

Apply these questions to your real-life situations. Would you continue to have the same credit card ownership structure or would you change it?

Handout: Joint Credit: What is it?

FORMS OF CREDIT CARD ACCOUNT OWNERSHIP

INDIVIDUAL: This means there is only one owner of the account, who is the person whose name is on the account; only this person's signature can authorize the use of the credit card. Spouses do not have the authority to use a card that is individually owned.

AUTHORIZED USER: There is a named owner ("borrower") for the account and also a person who is allowed to use the credit card and authorize charges. The authorized user might have his or her own card to use, but this user is NEVER liable legally for any debts on the account. The borrower ALWAYS is liable. Anyone can be named as an authorized user—spouses, children, parents, or friends.

CO-SIGNER: There is a named borrower on the account, who gets the card in his or her name and also gets the monthly statements. There is another person who has agreed to COVER the outstanding debts in the event of non payment. A co-signer usually does not use this credit card or receive regular information about its use, but a co-signer is legally responsible for paying the debt as if it were his/her own if the named borrower fails to make payments fully and on time. Credit card companies can collect the debts from a co-signer just as they would from the borrower directly (i.e., they can sue the co-signer and even garnish his or her wages).

JOINT: There are two named borrowers on the account. Usually both have a card with their names on it, and both can use the credit and get monthly account statements. Both are also legally responsible for the debt and can be pursued for collection. The credit history of both borrowers was used to determine eligibility for credit. Spouses most often use this form of ownership; both their credit histories and income are used to qualify for the card.

Handout: Joint Credit: Risks and Responsibilities

Assessing RISK for Account Ownership

Whenever two people share credit cards, they are sharing a greater risk for their financial future. Remember that sharing ownership means that someone else's behavior with credit cards can affect you (positively or negatively). Specifically, it may affect one or more of the following areas:

- Your credit report or credit history:

EXAMPLE: You have named your child as an authorized user on your credit card account, and she charges \$2,000 on the account while on a spending spree. While you may be making sure she pays it back, the credit card company sees you as responsible and will expect you to make payments on time for the debt. The amount of this debt and your history of paying on it will show up on your credit report.

- Your ability to maintain a good credit history:

EXAMPLE: You open joint accounts with your boyfriend while you are living together. You break up unexpectedly; your "ex" charges a trip to Hawaii on the joint credit card and then stops paying the bill. The creditor is calling you for payment and tells you that the late payments and high credit charges will be reflected on your credit report.

- The amount of debt you potentially owe (affecting future creditors' decisions):

EXAMPLE: You apply for a loan for your small business and are told by the loan officer that you cannot afford the size of loan you requested because your credit report shows an outstanding credit card bill. You learn that this is not your debt but your sister's. Two years ago, you co-signed on her credit card; she used it well initially but recently did not pay the bill. Now the creditor is calling and writing you for payment.

- The amount of debt you actually owe (which means an additional monthly bill):

EXAMPLE: Your brother is unemployed and struggling to pay his rent, so you know that he will not repay his credit card debt. So you negotiate payments with the creditor and add them to your monthly budget. You have to delay your loan application for a few months until this debt is paid off, and you have to cut your own expenses to afford this new monthly bill.

Handout: Joint Credit Activity Worksheet

Brainstorm the various advantages and risks for you in using these different types of account ownership for credit cards. As you brainstorm, write down the advantages and risks from the point of view of both people.

Ownership Type	Advantages	Risks
Each spouse has an individually owned credit card account.		

One spouse is named as an authorized user on the other spouse's account.		
One spouse has an individually owned credit card and co-signs for the other spouse's credit card.		
The couple has a joint credit card account.		

50. Family Credit Decisions: Role Playing

Objective: Couples and families will identify with every day family credit situations through role plays.

Time: 40 minutes, including about five minutes preparation time for both sets of volunteer actors to become acquainted with the scenarios, 10 minutes to act out and discuss each of two role plays, and 15 minutes for couples to discuss real-life scenarios and brainstorm strategies.

Materials:

Chairs or other materials as needed for props.

Pens

Paper

Note to Trainer:

Two role plays are provided to encourage discussion on making decisions about using credit as a family. Role playing is a fun and interactive way to support learning and can make a real difference for participants. Some people may need a bit of help getting over their initial nervousness or shyness about being in front of the group and acting as a character. This could be mitigated by having the trainers engage in a role play first or by selecting the bolder participants to do the first role play, just to break the ice.

Activity:

Discuss with the class that making a credit decision as a family can be difficult. Introduce that you will be doing two structured role plays to help the class discuss different credit ideas. Specific themes include deciding when to take on debt and how to identify the risks and responsibilities of co-signing on credit cards or loans for another family member.

Each role play will use three volunteers: One will be the narrator, and the other two will be characters in the role play.

Ask the class for six volunteers to help act out two role play activities.

This role play activity asks the narrator to introduce the scene. The actors play their roles after they practice with some background information about their characters to help with the dialogue and to get them to take a position. Structure the role play so that the actors have time to absorb this information and practice a bit together before presenting it to the group. (TIP: When scheduling a 15-minute break, have the narrator and 2 actors for each role play review the scenarios in a separate room or hallway.) At the start of this activity, ask for three volunteers for each role play scenario.

As the role play nears its finish, the trainer should be prepared to close the scene, thank and solicit applause for the actors, and then initiate discussion. Discussion questions follow each scenario to facilitate learning from the role play.

Scenario 1: My brother Jimmy needs help with a loan.

Narrator (Volunteer #1):

Tim and Judy Brown are driving to a PTA meeting one evening when Tim, ever so carefully, brings up an important question: His younger brother, Jimmy, wants to buy a brand new sports car; he has found the perfect car but needs a co-signer in order to get the loan approved. Tim loves his brother and wants to see him get ahead so he would like to help, but he knows this affects Judy's life too and so he needs her support.

Just another day of decision making for the Brown family, let's see how it goes...

ACTORS role play (Volunteers 2 and 3): At this point, Tim and Judy begin their conversation with Tim asking Judy about the loan (Idea: Have them sitting side by side in chairs to simulate the front seat of a car and have one of the two characters mimic driving.)

Group Discussion:

- ✓ If Tim and Judy co-sign, what are some of the risks that were mentioned during the role play?
- ✓ What are the benefits to Jimmy if Tim and Judy cosign? What are the benefits for Tim and Judy?
- ✓ If you were to "assess" a family member's ability to repay a loan on which you were a cosigner, what would you look at? Based on those criteria, would you cosign for Jimmy?
- ✓ What might be some other ways to minimize the risk and maximize the benefits for everyone involved?
- ✓ Have you ever been in a similar situation where a friend or family member asked you to co-sign? How did it make you feel? Did you know the risks you were facing? Did you discuss it with your partner ahead of time? How did it turn out for you?

Preparatory Information for the Volunteers Playing the Characters

Key Information for the Actor Playing Tim:

- × Tim really wants to help out his brother, Jimmy. He thinks he had a tough life as a kid and wants to give him a break. He knows Jimmy is motivated to do well.
- × Tim thinks that Jimmy is responsible: he keeps his own apartment and has two part-time jobs.
- × Tim also knows that Jimmy has just started living on his own and that debt can be hard to manage early on: Jimmy has had some bill paying challenges in the past, and he gets pretty regular calls from creditors.
- × Tim does NOT know that co-signing the loan means Judy and he are equally responsible for repaying the loan or that the creditor has the right to collect from them directly, without even trying to get Jimmy to pay.
- × Tim does NOT know that this loan and how Jimmy does in paying it off will be included on Judy's and his credit reports and will be included in their credit ratings whenever they apply for loans or credit cards for their own goals.
- × Tim wants to help his brother and is prepared to make a strong case to Judy, but he also trusts Judy's financial knowledge, which is greater than his, and he will listen carefully to her opinion.

Key Information for the Actor Playing Judy:

- × Judy loves Tim's brother, Jimmy, too and wants to help him.
- × Judy also cares about Tim's feelings and doesn't want to offend him or seem like she isn't willing to support Jimmy, but she knows this is very risky for their family.
- × Judy DOES know that she and Tim will be as responsible for this debt and that it will affect their credit rating.
- × Judy knows that Jimmy is just starting out in his jobs and adult life and that he hasn't always paid his bills on time.
- × Judy knows that Jimmy's part-time jobs may not be steady.
- × Judy also worries that since they wouldn't buy a sports car for themselves because it would divert too much money from their other goals of homeownership and saving for their children's education, perhaps this could negatively affect these other goals they have for their family.
- × Judy thinks it is too risky for their family goals and wants to convince Tim not to do it.

Scenario 2: Leroy wants a credit card.

Narrator:

Leroy is walking his grandmother, Maribel, to her monthly neighborhood association meeting. Along the way, he tries to convince her to that he needs a credit card for his important senior year expenses—prom, new school clothes, senior pictures, and class ring but also application fees for college and fees for required tests. He can't get a card himself, with only his weekly lawn mowing and other odd jobs for income. He just learned that his best friend, Kevin, got a card from his mom who applied for a credit card and named him as an authorized user. Now Kevin is sporting his own credit card, with his name on it, all around school. Everyone is talking about how he buys cool stuff and takes girls to fancy restaurants on dates.

Leroy's grandmother Maribel listens to this story. She has a reputation as a good budgeter and money manager. She's been the neighborhood association's treasurer for nearly five years now and works hard to keep all of their expenses in line, just as she has done in her own household for years. Leroy does his best to present a good argument and to answer all her concerns before she discusses them.

Let's see how he does....

ACTORS role play: At this point, Leroy starts the conversation with Maribel by asking for the card.

Group Discussion:

- × Based on the information presented in the skit, what are the advantages of authorized user accounts for friends or family members?
- × What are the risks?
- × What is your opinion: are Leroy's anticipated expenses acceptable to you as credit card debt? Why or why not?
- × Do you agree with Maribel's final decision about the card? Why or why not?
- × What are some ways parents could teach children and teens about credit and good money management?
- × What alternatives (to using credit) might you suggest for Leroy's expenses?

Break up into couples and discuss real-life scenarios like these that you have faced. Discuss how you can work together more effectively to make the best decisions for your family.

Preparatory Information for the Volunteers Playing the Characters

Key Information for the Actor Playing Leroy:

- × Leroy knows that he will be most convincing to Maribel if he presents a careful argument using facts, like the fact that he makes \$75 per month and would pay off the credit card bill himself.
- × Leroy has a good sense of his anticipated expenses for the card: prom tuxedo, limo, tickets, flowers, and meal; lunches at school, some school clothes; college tours, college application fees, and a suit for college interviews.
- × Leroy knows that the credit card company can limit the credit amount: he will impress Maribel by suggesting a modest \$1,000 credit limit!
- × Leroy does NOT know about the legal issue: his grandmother will be the only person legally responsible to pay the debt. If he doesn't pay, the creditors will pursue his grandmother for collection.
- × In fact, Leroy hasn't thought at all about how unpaid debt would be collected and what the impact would be on his grandmother.
- × Leroy gets good grades, is a school leader, and an athlete. He thinks he can rely on his record and responsible reputation to convince his grandmother.

Key Information for the Actor Playing Maribel:

- × Maribel knows that Leroy is responsible, but she never misses an opportunity to educate him about money.
- × Maribel does not want to discourage Leroy, but she is never afraid to say no.
- × Maribel KNOWS that this account-ownership arrangement makes her legally responsible for the debt and that Leroy is NOT thinking about the risk of nonpayment.
- × Maribel has also observed Leroy's habits with money, and she knows that he does not have a bank account and that he does not try to save. He usually spends his money on entertainment.
- × Maribel knows that she could afford to cover a credit limit of about \$500 for Leroy.
- × YOUR CHOICE: Based on what you know, you decide whether Maribel says yes or no. In the skit, when you give your final answer to Leroy, be sure to explain why you decided as you did.

Contact Information for Contributors

Better Together

Developed by the Marriage Coalition, *Better Together* is an interactive marriage education curriculum with tools to strengthen the relationships of low-income couples. *Better Together* was developed with a grant from the Department of Health and Human Services and is adapted from Family Wellness' *Survival Skills* methodology and training.

For more information about *Better Together*, contact:

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The Marriage Coalition
1991 Lee Road, Suite 104
Cleveland Heights, OH 44118
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Money Harmony

Speaker, money coach and couples therapist, Olivia Mellan has been a ground breaker in the field of conflict resolution, couples communication, and money psychology. She is the author of four critically acclaimed books:

- × *Money Harmony: Resolving Money Conflicts in Your Life and Relationships*
- × *Overcoming Overspending: A Winning Plan for Spenders and their Partners*
- × *Money Shy to Money Sure: A Woman's Road Map to Financial Well-Being*
- × *Advisors Guide to Money Psychology*

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PAIRS - Practical Application of Intimate Relationship Skills

PAIRS is a relationship skills-based education program that is designed for couples and individuals who are interested in preserving, strengthening, and enhancing their relationship. Programs include PAIRS for marriages, PAIRS FIRST for pre-marital and newlywed couples, and PEERS for teens. The PAIRS Foundation offers trainings to professionals and classes to the public for its adult (PAIRS) and youth program (PAIRS For PEERS) across the country. Workshops for the public range from 4 hours through weekend programs, and up to their hallmark Semester program spanning several months. PAIRS has created several faith based workshops, as well as one tailored to military families. PAIRS was created by founder Dr. Lori Gordon over 25 years ago and is taught around the world to international acclaim.

For more information about *PAIRS*, contact:

PAIRS Foundation
Phone: 888-724-7748 (888-PAIRS-4-U)
www.pairs.com
epairs@aol.com

Power of Two

Power of Two Workshops teach skills that keep dreams of living happily ever after a reality. The curriculum, written by Susan Heitler, Ph.D. and Abigail Hirsch, M.A., is based on their books *The Power of Two* and *The Power of Two Workbook*.

For more information about *Power of Two*, contact:

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Phone: 303-388-4211

Toll Free: 800-919-8899 for book/tape orders

Fax: 303-388-4214

Email: info@therapyhelp.com

PREP - Prevention and Relationship Enhancement Program

PREP is a skills and principles-building curriculum designed to aid communication, get to the heart of problems, and increase a couple's connection with each other. The program can be accessed through video and audiotape, books, workshops, or private instruction. Also available is a Christian program based on the research underlying PREP.

For more information about *PREP*, contact:

PREP Inc.

P.O. Box 102530

Denver, Colorado 80250

303-759-9931

www.prepinc.com

info@prepinc.com

Survival Skills for Healthy Families

Survival Skills for Healthy Families is a twelve-hour program designed for large groups of families and individuals. Developed by George Doub, founder of Family Wellness Associates, *Survival Skills* is a quickly learned and easily adaptable program which has proven effective in a variety of communities, cultures and languages. It is currently being used by Native American, Latino, African American, Vietnamese, Cambodian, Hmong, Laotian, Chinese and Filipino communities. It has been applied with refugee families, in marriage preparation, family preservation programs, for families in gang neighborhoods, as well as for parents wanting to get back in charge of their children and their lives. It is also been used for prevention and intervention in the areas of domestic violence, drug, alcohol, and child abuse.

For more information about *Survival Skills*, contact:

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TAB A

FINANCIAL EDUCATION MODULES FOR FAMILIES AND COUPLES

As an asset-building trainer, you have the rewarding job of helping individuals and families gain the knowledge and build the skills they need to achieve financial self-sufficiency. The following modules are designed for AFI Project financial education practitioners working with IDA savers who share their financial lives with a partner or family. They emphasize family- and couple-focused activities to develop core financial literacy skills in a relationship-based context. Included are tools you can use with AFI participants to enhance their communication skills about money—and to work with their partners, families, and communities to achieve their financial goals. These modules and activities are all drawn from current practice and experience of AFI grantees and family and marriage education programs throughout the country.

Add Quote from the Field

“The IDA training is often the first time couples start working as a team to improve their finances. They learn to negotiate, compromise, and give affirmation to their partner for their ideas.”

End Quote from the Field

Module 1 is an overview of how money is typically handled in a family context. Modules 2 through 8 reflect the sequence of many financial education curricula and include common topics, such as asset development, values toward money, goal-setting, budgeting, savings, banking and investment, and credit.

Module 1: Money Talk

This module addresses how people within a family interact about money, with valuable tools and resources to help class participants discuss and work better together with their partners and children. The communication activities set a stage of respect and caring that serve as a basis for the rest of the process of integrating financial education, asset building and family strengthening (and for life!).

Module 2: Family Assets

This set of curricula demonstrates the importance of asset accumulation over generations. The exercises help families and couples join together to identify and celebrate the assets within their family.

Module 3: Money Values and Attitudes

This module explores important money styles, money attitudes, and how these attitudes are formed. The featured activities also open the door to sharing money experiences and histories about the meanings family members attach to money.

Module 4: Family Dreams and Goals

The modules in this section encourage families and couples to set goals together by prioritizing and clarifying their short- and long-term financial objectives.

Module 5: Family Budgeting

These exercises help families and couples make spending and saving choices based on their combined values, goals, and available resources.

Module 6: Family Savings

The curriculum in this module provides families and couples with strategies to spend less and save more!

Module 7: Banking and Investment

These modules facilitate discussion on banking services and financial issues, such as choosing financial institutions, understanding their products, and avoiding financial traps.

Module 8: Credit and Debt

This section includes modules that address the risks and responsibilities of joint credit while helping families and couples establish habits and guidelines for managing and reducing debt.

Many activities in these modules are designed to help individuals develop new insights about their relationships and improve family money-management practices and communications. The activities target participants of different ages, literacy levels, life stages, and backgrounds. Each activity offers a different opportunity to explore a financial concept within a family or couple relationship.

Some activities, while designed for families and couples, can also work well as small group activities in which class members play the roles of different family members. Some of the activities simply work best with a couple or family. In such cases, trainers can encourage class participants to do these activities at home with their families and report back on these home experiences.

“Notes to Trainer” items describe the class setting and composition most amenable for the activity.

The modules highlight the work of six family and marriage education organizations: Better Together, Money Harmony, PAIRS, Power of Two, PREP, and Survival Skills for Healthy Families. Each organization offers “training of trainers” opportunities in family and marriage education.

For more information on using the modules, contact the AFI Resource Center at the Office of Community Services Telephone: (202) 401-4626; email: AFIProgram@acf.hhs.gov; and website: <http://www.acf.hhs.gov/assetbuilding>

TAB B

RESOURCES

There are many individuals and organizations ready and willing to assist organizations that are administering AFI Projects by strengthening the families and couples that participate in them. The following resource list highlights a few of them. If you need further assistance locating resources, please contact the AFI Resource Center at the Office of Community Services.

FAMILY AND MARRIAGE STRENGTHENING

Resources in this section are organized as follows:

Organizations

Providers, Tools and Curricula

- Training Providers
- Curricula and Publications
- Premarital and Marital Inventories
- Parenting Programs
- Stepfamily Programs and Tools
- Youth Programs and Tools

Organizations

Association for Couples in Marriage Enrichment (ACME)

This international nonprofit organization promotes better marriages by providing enrichment opportunities and resources that strengthen couple relationships and enhance personal growth, mutual fulfillment, and family wellness.

<http://www.bettermarriages.org>

First Things First (FTF)

This nonprofit organization helps to strengthen families through community education, research, skills training, media outreach, networking, and collaboration. FTF has partnerships with more than 80 local and national organizations. Look for the Marriage and Family Resource Center on the web site.

<http://www.firstthings.org>

Lutheran Social Services

This network of approximately 300 health and human service organizations provides care in 3,000 communities in the United States and the Caribbean. To learn more, search for the word “marriage” under the service locator portion of the organization’s web site.

<http://www.lutheranservices.org>

Smart Marriages, The Coalition for Marriage, Family and Couple Education

This organization sponsors an annual conference and training for family-strengthening and marriage educators. The web site presents many different resource pieces and links to related organizations.

<http://www.smartmarriages.com>

Training Providers

Relationship Learning Center

This organization, based in Winter Park, Florida, offers “Getting the Love You Want” and “Keeping the Love You Find” workshops. It offers training on teaching these marriage strengthening workshops, as well as counseling and other resources.

<http://www.relationshipjourney.com>

Institute for Soul Healing Love

This organization, based in Cookeville, Tennessee, uses Christian principles for counseling and support. Resources include training manuals, audiotapes, and videotapes that target children of divorced parents and those in counseling and pastoral professions.

<http://www.SoulHealingLove.com>

Marriage Alive Seminars

This faith-based program offers a approaches for building marriages using biblical teachings, skill building, and creating fun and learning “dates” with your partner. Seminars are offered regularly.

<http://www.marriagealive.com>

Center of Relationship Enhancement

The Center of Relationship Enhancement (CORE), based in Doylestown, Pennsylvania, provides training to trainers and couples on skills for creating satisfying, close, and stable relationships. This organization offers week-long courses, as well as day and partial-day workshops for couples and families.

<http://www.relationshipenhancement.com>

Curricula and Publications

Active Relationships: Active Money Personalities

Active Relationships enhances awareness and teaches acceptance of personal responsibility for relationship success. Active Money Personalities is one of the four core projects that make up the Active Relationships Mastery Series. The others include Active Living, Active Communication, and Active Romance and Intimacy. <http://www.activerelationships.com>

Couple Communication

Couple Communication is a curriculum provided by Interpersonal Communication Programs, Inc., of Evergreen, Colorado. The curriculum teaches

practical ways to help marital partners increase communication, enhance listening skills, and align values and goals. The program, which has introductory and advanced levels, includes a workbook, “relationship maps,” and materials for trainers.

<http://www.couplecommunication.com>

Couple Talk: Enhancing Your Relationship

CoupleTALK is a non-credit, Internet-based distance education course offered by K-State Research and Extension, Kansas State University. This adult education course helps couples build skills to make their relationship stronger and more satisfying. This course is provided free of charge to enrolled participants.

<http://www.oznet.ksu.edu/library/famlf2/mf2297.pdf>

<http://www.oznet.ksu.edu/ctalk/>

Debt Proof Your Marriage: How to Achieve Financial Harmony, by Mary Hunt

This book was written specifically for couples. It discusses money personalities, ways to get out of debt, and how to plan for a successful financial future. An accompanying workbook is included. It is available online and at bookstores.

Divorce Busting Program

Based on Michele Weiner-Davis’s book, “Divorce Busting,” this program teaches “out of the box” strength-based, solution-oriented marriage enrichment. The program’s website includes materials, workbooks, DVDs, and CDs for individuals, couples, and trainers.

<http://www.divorcebusting.com>

Empowering Couples: Building on Your Strengths

This marriage-strengthening self-help publication is provided by the Life Innovations, Inc. in Minneapolis, Minnesota. Topics include communication, conflict resolution, sexuality, and spiritual beliefs. The curriculum is available on the web site listed below. The site also includes links for locating counselors and for information on train mentoring couples and other program development tools.

<http://www.lifeinnovations.com>

Enriching Your Marriage: Relationship Exercises for Couples

This booklet features 20 practical marriage-enrichment exercises for couples on a wide range of topics including communication, resolving conflict, and sharing feelings. It is suitable for use by couples individually or in group settings.

<http://www.bccf.bc.ca/>

Family Wellness

The Family Wellness Associates of Scotts Valley, California, offers “The Strongest Link: The Couple” curriculum. In addition, the group provides instructor training and resources.

<http://www.familywellness.com>

How to Avoid Marrying a Jerk

This educational, research-based program is provided by the Life Changers organization based in Medina, Ohio. Resources include the “How to Avoid Marrying a Jerk” book, which presents the Relationship Attachment Model and spells out how singles can pace their relationships in five crucial areas. The organization also provides a number of other resources including instructor certification, secular and faith-based workbooks and tools to teach the course in churches, agencies, military bases, schools, and singles organizations.

<http://www.nojerks.com>

Love, Money and Marriage: Understanding and Achieving Financial Compatibility Before-and-after-You Say “I Do,” by Gail Liberman and Alan Levin

This book helps couples discuss money before marriage. Topics include money styles and how to develop a compatible approach to financial management. It is available online and at bookstores.

Money and Marriage: Making it Work Together: A Guide to Smart Money Management and Harmonious Communications, by Steven Pybrum.

This book offers a “how-to” for couples to learn to communicate about money issues and achieve financial goals. It is available online and at bookstores.

PAIRS - Practical Application of Intimate Relationship Skills

The PAIRS Foundation of Weston, Florida, offers a number of training curricula and other resources for marriage strengthening. The PAIRS curriculum is a relationship skills-based approach designed for couples and individuals who are interested in preserving, strengthening, and enhancing their relationships. There are several different versions available including PAIRS for marriages, PAIRS FIRST for pre-marriage and newlywed couples, and PEERS for teens.

<http://www.pairs.com>

PREP - Preventive Relationship Enhancement Program

The PREP curriculum is provided by Prep, Inc. in Glenwood Village, Colorado. The curriculum provides skills and principles-building to aid communication and increase a couple’s connection with each other. The curriculum is available on video and audiotape and in print version. The Prep, Inc. organization provides many other resources and training on marriage strengthening topics.

<http://www.prepinc.com>

Power of Two Marriage Skills Workshops

The Power of Two organization, based in Denver, Colorado, provides a full range of resources including, books, CDs, DVDs, and VHS versions of its conflict resolution materials, as well as skills workshops for couples and leader training.

<http://www.PO2.com>

Seven Principles for Making Marriage Work, by John Gottman

This book, published by the Gottman Institute of Seattle, Washington, teaches couples how to foster respect, affection and closeness; build a deeper connection with each other; and manage and resolve conflict. It is available online.

<http://www.gottman.com>

You Paid How Much for That? How to Win at Money Without Losing at Love

A guide written by PREP (Preventive Enhancement Relationship Program) to assist couples in (a) discovering hidden issues, expectations, and gender differences in financial management within the relationship; (b) establishing ground rules and practices to effectively solve real problems and communicate issues; (c) developing a better understanding of money management including borrowing, insurance, taxes, saving, and investing; and (d) defining and reaching financial and emotional goals.

<http://www.prepinc.com>

When Bad Things Happen to Good Marriages

Les and Leslie Parrot provide insights and guidance into how to get marriages back on track. Other publications on the site address couples mentoring and relationship assessment.

<http://www.realrelationships.com>

50 Wonderful Ways to be a Single-Parent Family, by Barry Ginsberg

This book is a guide on how to have fun together, learn to share decisions, develop family traditions and rituals, find common ground, and feel like a team.

It is available in bookstores and online.

<http://www.newharbinger.com>

Premarital and Marital Inventories

FOCCUS (Facilitating Open Couple Communication, Understanding and Study)

FOCCUS includes 180 questions designed to cover issues of communication, finances, sexuality, cohabitation, and interfaith differences. REFOCCUS is a version for use by married couples seeking marriage enrichment. Originally developed for use in Catholic premarital preparation courses, FOCCUS is now available in four editions: General, Christian Non-Denominational, Catholic, and Alternate (for learning impaired).

<http://www.foccusinc.com>

PREPARE/ENRICH

The PREPARE/ENRICH Inventories contain 195 items in 20 different relationship areas, including communications, conflict resolution, finances, family or origin, and sexuality.

The Inventories ask each partner to answer the questions and then create a Partner Report consolidating the individual partner's responses. It also includes six exercises for

improving your relationship. There are also materials for training and certification with the method.

<http://www.prepare-enrich.com>

RELATE: Relationship Evaluation Questionnaire

The RELATE tool provides comprehensive assessment of premarriage and married couple relationships across a range of categories including communication, conflict management, and childhood/background. It is available on-line. There is a charge for each assessment.

<http://relate-institute.org/>

Parenting Programs and Tools

Active Parenting

The Active Parenting Publishers, Inc. produces a number of curricula, workbooks and publications designed for parents of children ages 5 to 12.

<http://www.activeparenting.com>

Parenting Wisely

The Family Works, Inc. organization based in Athens, Ohio, developed and distributes this curriculum to address behavior problems in children and teens. Available in CD-ROM format, it can be self-administered or used in groups/classes and with low-literacy. It is available in Spanish.

<http://www.familyworksinc.com>

STEP (Systematic Training for Effective Parenting) Program

This curriculum, distributed by Pearson Global Publications, of Shoreview, Minnesota, teaches essential skills for family relationships, in five versions: regular, teens, early childhood, Spanish language, and biblical. Each version has seven sessions and includes video and an extensive Leader's Resource Guide. Other packages target fathers, single or divorced parents, and early childhood.

<http://www.agsglobal.com>

Stepfamily Programs and Tools

Smart Step for Adults and Children in Stepfamilies

The Stepfamily Association of America (SAA) publishes this research based and “teach out of the box” curriculum. It includes a leader’s guide that is adaptable to different organizations. SAA is a nonprofit organization dedicated to helping stepfamilies create successful relationships.

<http://www.saafamilies.org/>

The Stepfamily Foundation

The Stepfamily Foundation offers coaching, counseling, and educational resources for stepfamilies.

<http://www.stepfamily.org>

Youth Programs and Tools

Building Relationships: Developing Skills for Life

This workbook is based on the PREPARE/ENRICH curriculum. It builds awareness of dating and interpersonal relationships for teens. Topics include dating, communication, conflict management, affection, goal setting, and budgeting. Teachers' manuals are available.

<http://www.prepare-enrich.com/indexm.cfm>

CONNECTIONS: Youth Relationship Skills Series

This curriculum is published by the Dibble Fund for Marriage Education, which is a nonprofit organization based in Berkeley, California. This series of readings and skill-based interactive exercises helps teens prepare for healthy dating relationships and marriage. Topics include communication, self-esteem, and conflict resolution.

<http://www.buildingrelationships.org>

The Art of Loving Well: A Character Education Curriculum for Today's Teenagers

This book is published by the Boston University School of Education. It is an anthology of 40 ethnically diverse selections. It has three sections: "Early Loves and Losses," "Romance," and "Commitment and Marriage." The curriculum helps teens develop strong personal ideas and learn social and emotional skills for relationships.

<http://www.bu.edu/education/lovingwell>

ASSET BUILDING

National Resources

Assets for Independence Resource Center -- Office of Community Services

The AFI Resource Center, managed by the Office of Community Services, is the mechanism for providing training, technical assistance and information to Assets for Independence Program grantees, their sub-grantees and sub-contractors, partners, nonfederal funders and other organizations. A key component is the Assetbuilding website, which provides a wealth of information on designing, funding, and administering an AFI Project and other IDA efforts and asset building strategies.

<http://www.acf.hhs.gov/assetbuilding>

Center for Social Development

The Center for Social Development (CSD) is a component of the George Warren Brown School of Social Work at Washington University in St. Louis, Missouri. CSD is the home of the IDA concept. It managed the American Dream Demonstration (the first national study of the effectiveness of IDAs), and continues to research asset building strategies.

<http://gwbweb.wustl.edu/csd/>

CFED

The CFED organization is a nonprofit that has been instrumental in supporting the use of IDAs and other asset building strategies to enable families with low incomes to succeed. It publishes an array of helpful documents, manages a special listerv for IDA providers, and sponsors regional and national meetings about IDA and other asset building strategies.

<http://www.cfed.org>

Institute for Social and Economic Development

The Institute for Social and Economic Development (ISED) is a nonprofit research and services provider with offices in Iowa and Washington, D.C. It provides an array of diverse resources for IDA programs nationwide, including interesting articles and useful tools for developing and managing IDA projects.

<http://www.ised.org>

New America Foundation

The New America Foundation is a nonprofit non-partisan policy institute based in Washington, D.C. Its Asset Building Program advances information and research on innovative strategies for reducing poverty. The program's web site includes comprehensive information on asset-building initiatives, policy developments, research projects, and data sources offered to date. IDAs are included among the topics.

<http://www.assetbuilding.org>

Financial Education Curricula

PACE Money Wise

This interactive program was designed for use with "Families First" participants. Contact Dena Wise, University of Tennessee, dkwise@utk.edu

All My Money

A financial management train-the-trainer curriculum for persons working with limited-resource audiences developed by the University of Illinois Extension Consumer and Family Economics Team.

<http://www.ace.uiuc.edu/cfe/mymoney/>

Credit When Credit is Due

A 12-module financial education curriculum developed by the American Center for Credit Education (affiliated with the American Bankers Association). Students who complete all 12 modules and pass all exams will receive a positive annotation on their credit reports. Price: \$20. Contact Ron Trithart at (605) 348-3104.

Dollar Sense: An Economic Literacy Curriculum for Individual Development Account Projects: Eight Steps Toward Economic Independence Through Asset Ownership

This curriculum by Central Vermont Community Action Council, Inc. provides participants with "hard information" definitions, facts, theories, and skills related to money management in the context of long-term asset building. The materials are designed for use by nonprofits and financial institutions engaged in IDA projects, but are adaptable to other asset-building projects. Contact Dawn Butterfield at 802-479-1053; dbutterfield@cvcac.org.

The curriculum, and many others, is also available from the American Express Financial Education Web site.

<http://www.nefe.org/amexeconfund/materials/dollarsense.html>

Helping People in Your Community Understand Basic Financial Services

U.S. Department of the Treasury, Financial Management Service, Product Promotion Division, 401 14th Street, S.W., Washington, D.C. 20227.

Knowing and Understanding Your Credit

Fannie Mae Foundation and the National Endowment for Financial Education.
<http://www.nefe.org>

Making Money Work for You

This five-session curriculum, with teaching outlines, visual aids, and participant workbooks, is designed for people just starting out or struggling to make it paycheck to paycheck. Contact Suzanne Knight, University of New Hampshire, suzann.knight@unh.edu

Making Your Money Work

Purdue University Cooperative Extension Service, Agricultural Communication Service, Media Distribution Center, 301 South Second Street, Lafayette, IN 47901-1232

Managing Debt and Building Wealth

A basic overview of money management techniques, and lists places people can go to for help when their debts seem overwhelming. This site links to the leaders' guide.

http://www.consumer-action.org/English/library/money_mgt/2000_ManagingDebt_Guide/index.php

Money Smart

Money Smart is a training program designed by the Federal Deposit Insurance Company (FDIC) to help adults outside the financial mainstream enhance their money skills and create positive banking relationships. It is available at no cost in paper and CD Rom format. <http://www.fdic.gov/consumers/consumer/moneysmart/index.html>

National Community Reinvestment Coalition's (NCRC) Financial Literacy Manual

This manual was developed as part of NCRC's financial literacy campaign. NCRC also offers comprehensive resources in English and Spanish to complement presentations by

local agencies, financial service providers, and others. Registration is required to access materials.

<http://www.ncrc.org>

Your Spending, Your Savings, Your Future: A Beginner's Guide to Financial Readiness

National Endowment for Financial Education

<http://nefe.nclweb.org/credit/credit.htm>

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