

¢ENTS AND \$ENSIBILITY

A guide to money management

Developed by Pennsylvania Assistive Technology Foundation
in conjunction with Widener University 2015, third edition



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We originally wrote this booklet to respond to a need in the disability community. We wanted to provide people with disabilities the tools they needed to make informed decisions about their financial future.

However, we've learned from our pilot programs that everyone can benefit from this information. Please read on to learn how to manage your money so your money doesn't manage you!

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Let's Get Started

Chapter One

Is This Booklet for You?

Are you a resident of Pennsylvania? Do you want to learn more about managing your money? If you said yes to both questions, this booklet is for you. **The key is to manage your money, instead of letting your money manage you.**

Everyone needs financial skills to make smart decisions about money. When you first start to manage your own money, there are some important things you need to know to be sure you can get what you need to live independently.

In this booklet we will cover:

- Looking at how you spend your money now,
- Developing a livable money map (budget) that includes a plan for spending and saving,
- Learning how to save (even if you are a recipient of government benefits),
- Deciding where to keep your money, and
- Learning the best way to borrow money if you need to.

The activities in this booklet provide a step-by-step process to 1) organize your money, and 2) manage your money. Getting a handle on your finances is not something you learn in a couple of hours. The organization step alone may take weeks to learn! But the skills you learn will stay with you for the rest of your life.

At the end of this booklet you will find a list of words (a glossary) to explain many of the terms used in this booklet. Go to page 60 to look up terms you don't understand.



**Miguel is
ready
to go!**

You will also learn about assistive technology (AT):

- What is AT and why is it important?
- How can you pay for AT?

Activities in this Chapter

➡ Activity # 1 *What I Need and What I Want*

➡ Activity # 2 *My Money Habits*

➡ Activity # 3 *Smart Money Habits*

Need

Something you must have to survive, like a place to live and enough food to eat.

Want

Something you might like to have, but you don't need it to survive and you don't have to have right away. You can save to have it later.

Values

Values are those ideas and beliefs that really matter to each of us.

The Difference Between Needs and Wants

Here's a good rule about money: It is very important to put your needs first. That's why it is important to know the difference between your needs and your wants. Before you start planning how to use your money, let's be clear about the difference between needs and wants.

- A **need** is something you must have to survive, like a place to live and enough food to eat.
- A **want** is something you might like to have, but not something you must have to survive. You also don't have to have a want right away. You can save to have it later.

What Are Your Money Values?

Your **values** are those ideas and beliefs that really matter to you. Your values will determine what you will do with your money. Asking yourself, "How do I use my money now?" will tell you a lot about your money values.

People use money two ways:

1. To *buy* things they need or want *now*.
2. To *save* for things they may need or want *later*.

It's not about how much money you have, but how you use your money. It is all about the choices you make.

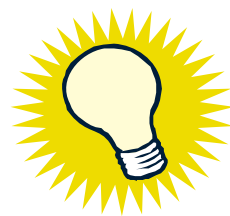
Meet Penny Pincher

Hi! I've got some good ideas that can help you understand the concepts in this booklet. Follow me as we go through the chapters together.



Activity #1: What I Need and What I Want

List your needs in the spaces below. Think of things you need (must have) to survive, like a place to live, food to eat, or clothes to wear. And, don't forget healthcare! Next, list some of the things you want (tickets to a concert, going out to dinner, or a new TV).



REMEMBER

Here's a good rule about money. When you are spending money, *it is important to put your needs first*. That's why it helps to know the difference between your needs and your wants.

My Needs

1. _____
2. _____
3. _____
4. _____
5. _____

My Wants

1. _____
2. _____
3. _____
4. _____
5. _____

Money Habits

Once you've developed a plan for your financial future, you'll feel more in charge and in control of your money. Before starting on your plan, look at what your money habits are today.

Activity #2: My Money Habits

Read each line below and circle the response that sounds like you.

- | | | |
|---|-----|----|
| 1. I have a spending plan or budget. | Yes | No |
| 2. I track my spending every month. | Yes | No |
| 3. I pay my bills on time or before the due date. | Yes | No |
| 4. I have money in a bank or credit union. | Yes | No |
| 5. I pay my credit card balance in full every month. | Yes | No |
| 6. I know the total amount of any debts I have. | Yes | No |
| 7. I have seen my credit report in the past 12 months. | Yes | No |
| 8. I save money every month. | Yes | No |
| 9. I could pay for an unexpected expense today if had to. | Yes | No |

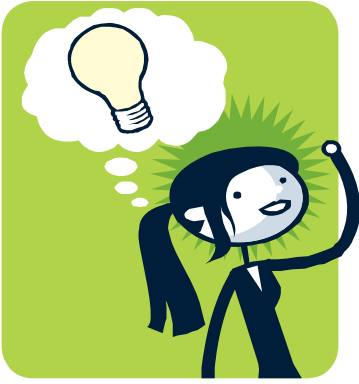
Are there any NO answers above that might make it hard for you to achieve your financial goals? Take some time to think about this.



Penny Pincher Says!

Changing your money habits takes time. Don't get discouraged.

Activity #3: Smart Money Habits



Penny Pincher Says!

Sometimes it's difficult to save for things you need, but once you try saving, it may be easier than you think.

Most people would say that the habits listed above are good ones to have. Make a list of any money habits from # 1–9 that you don't have now, but would like to develop. Make a promise to yourself to start right now.

Keep these ideas about money values and habits in mind as you move to the next chapters.

Realizing the Benefit of Saving

Winter was coming and Raul needed a new pair of boots but he was having a hard time figuring out where he would get the money.

Raul and his friend, Lucy, loved to go to the mall on Saturdays. They would take the bus and meet at the food court. Raul realized they were spending \$10 or more on sodas, burgers and fries. "Hey Lucy," he said, "I'm going to eat before leaving home. That way, I can save money for a new pair of winter boots."

Raul loved eating at the food court but his winter boots had holes in them. He realized that if he started saving the money that he spent on fast food he could easily achieve his goal of buying new boots in a month or two.

Money Mapping: Get Ready to Budget

Chapter Two

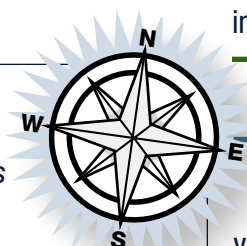
Our goal in this chapter is to learn how to create a money map. **Money mapping** captures many activities involved in money management. It includes understanding your income and tracking your expenses, establishing short and long-term savings and spending goals, and building good credit so that you can be more in charge of your future.

Money mapping is all about forward thinking, setting the direction of your money goals. It is the new and improved term for “budgeting.” Money mapping encourages a more fluid process, allowing you to always be thinking about the next step in your forward moving plan.

To make a money map you need to know your **income** (money coming in) and your **expenses** (money going out). The difference between your income and expenses is called cash flow. **Cash flow** can be either positive or negative. If you have a positive cash flow, that means you have more money coming in than you spend. (This is also called a surplus. See page 24.) If you have a negative cash flow, you have more money going out than you have coming in. (This is also called a deficit. See page 24.) A negative cash flow is not a good thing! Many people who have negative cash flows were able to fix the problem through monthly money mapping...you can too!

Activities in This Chapter

- Activity #4 *Calculate Your Monthly Income*
- Activity #5 *Track Expenses: Keep Cash Receipts*
- Activity #6 *Organize Your Cash Expenses*
- Activity #7 *Organize Your Recurring Monthly Expenses*
- Activity #8 *Organize Your Credit Card Charges*
- Activity #9 *Bring It All Together!*
- Activity #10 *Comparison Shopping*



Money Mapping

Money mapping is the new term for budgeting, and involves understanding your income and tracking your expenses, establishing short and long-term savings and spending goals, and building good credit.

Income

Money coming in.

Expenses

Money going out.

Cash Flow

The difference between your income and your expenses.

Get in the Zone!

When you see this compass, you'll know you're in the Money Mapping Zone—the activity you're working on is helping you take the next step along the path of your personal money map!

Examples of completed worksheets are included after each activity for you to use as a reference. The worksheets will help you:

- First, figure out how much money you receive each month,
- Then, know how you are currently spending your money, and
- Finally, work out how much money you have left over each month.

My Monthly Income and Spending

Three things happen when you use a money map:

1. You understand how and where you spend your money.
2. You become more aware of your cash flow.
3. You control your finances and your future.

Speaking of Income

There are basically two types of income, earned income and unearned income.

Earned income

The money you receive from a job.

Unearned income

The money you receive that does not come from a job.

Benefits

Many people need help paying for food, housing, utilities, medical care and other basic items. The state and federal government have developed programs that can help pay for these things. These programs are called government benefits.

- **Earned income** is wages or salary you receive from a job. You may be paid weekly, every other week, bi-monthly, or monthly.
- **Unearned income** is money you receive that does not come from a job. It may come from **benefits** or gifts, such as:
 - Supplemental Security Income (SSI),
 - Social Security Disability Insurance (SSDI),
 - Workers' compensation,
 - Veteran benefits,
 - SNAP (food stamps),
 - Gifts from family or friends, or
 - Interest earned on savings.

You might even have a source of unearned income that's not on this list.

If you have earned income, you already know that you don't get to keep all that you make because you have to pay taxes!

Kimiko is holding her paycheck.



Gross Earnings

The term **gross earnings** means the total amount of money received before taxes and other deductions are taken from your paycheck. Many workers can figure out their gross earnings by taking the number of hours they work and multiplying by their hourly pay rate. For workers who receive a salary, they earn a fixed amount regardless of the hours they work.

Net Earnings

The term **net earnings** means the amount you take home after taxes and other deductions have been taken out of your gross earnings. Let's look at some common deductions:

- Federal income tax: this money goes to the federal government to pay for things like national defense, health care, roads and parks.
- State income tax: this money goes to the Commonwealth of Pennsylvania to pay for things like schools, health clinics, museums and libraries.
- Local wage tax: this money goes to your city or township where you live, to pay for things like the fire department, the police and community projects.
- Social Security tax: this money goes to pay for retirement, disability, and survivorship benefits.
- Medicare tax: this money supports health care for seniors and some people with permanent disabilities.
- Health insurance premiums: this money pays for your health care benefits if offered by your employer.
- Retirement benefits: this money goes into a separate fund that pays you benefits when you retire.

When figuring out how much money you have to spend each month, always use your net earnings.

Gross earnings

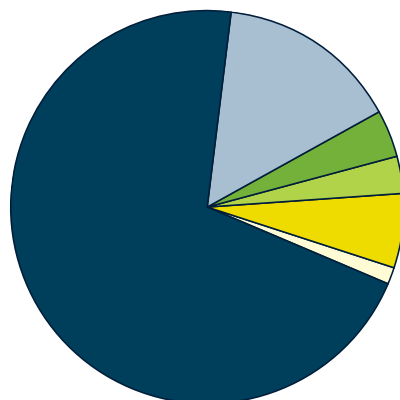
The total amount of your earned income.

Net earnings

The amount you take home, after taxes and other deductions have been taken out of your total (gross) earnings.

Example: Assume an individual had an annual income of \$20,000 in 2014 and filed taxes as a single person living in Philadelphia, Pennsylvania.

His/her gross earnings would be \$20,000.
His/her net earnings would be \$14,072.



- Net Earnings \$14,072 (70.36%)
- Federal Income Tax \$3,000 (15%)
- Local (Philadelphia) Wage Tax \$784 (3.92%)
- PA Income Tax \$614 (3.07%)
- Social Security Tax \$1,240 (6.2%)
- Medicare Tax \$290 (1.45%)



Penny Pincher Says!

- To find out if you are eligible for government benefits, check out COMPASS, www.compass.state.pa.us, or call 1-800-692-7462. Another valuable resource for Pennsylvanians is the Benefit Bank, www.thebenefitbank.org.
- Make sure that you have the correct amount of Federal income tax withheld from your paycheck. The IRS has a withholding calculator that can help determine how much tax should come out of the money you earn at <http://www.irs.gov/Individuals/IRS-Withholding-Calculator>.
- You can increase the amount of your tax refund through tax credits and deductions. The Volunteer Income Tax Assistance (VITA) Program offers free help with preparing tax returns to people who make \$50,000 or less. VITA programs can be found at community centers, libraries, shopping malls, and other convenient locations. To find VITA assistance in your area call 1-800-906-9887.

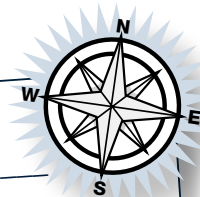
Activity #4: Calculate Your Monthly Income

In this activity you create a list of where your income comes from.

Step 1: Write down the name of each type of income you get monthly.

Step 2: Enter the total monthly amount for each one.

Step 3: Add up your total monthly income.



My Monthly Income for the Month of _____

Income Description	Amount
1. _____	\$ _____
2. _____	\$ _____
3. _____	\$ _____
4. _____	\$ _____
5. _____	\$ _____
Total Monthly Income	\$ _____

EXAMPLE: Monthly Income for SEPTEMBER

Income Description	Amount
1. Supplemental Security Income (SSI)	\$ 600.00
2. SNAP (food stamps)	\$ 150.00
3. Part-time job	\$ 200.00
Total Monthly Income	\$ 950.00

Now it's time to organize the things you spend your money on! **Expenses** are what you spend money on, whether you pay in cash or with a check, charge to a credit card, or use a debit card.

Don't get discouraged if you can't figure out exactly what you spend your money on every month. It may take several months to get a really good picture of your spending.

Activity #5: Track Expenses: Keep Cash Receipts

To figure out how you spend your money, you should begin by saving your cash receipts for at least one month.

Keep the receipt for anything you buy with cash in a container. An accordion file works great to keep things organized. You can also scan your receipts and store them electronically. If you didn't get a receipt then write a note to yourself about what you spent and how much it cost and file it away.

At the end of the month, gather all your receipts and sort them into categories. Make a pile of receipts for each category, such as:

- Groceries;
- Personal care items, like toothpaste and soap;
- Eating out at restaurants or take out;
- Transportation, like bus tickets, taxis, gas or tolls;
- Clothing;
- Entertainment, like movie tickets, cable TV or CDs; and
- Health insurance co-pays.

Add up the amount of money you spent in each pile of receipts. Now that you have saved your cash receipts, move on to Activity #6.

Expenses

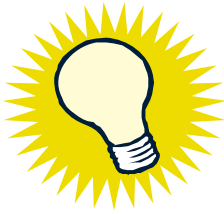
What you spend money on, whether you pay in cash or with a check, credit card or debit card.



Penny Pincher Says!

You can keep your receipts in a file. It's important that you keep every receipt for any purchase, not just those made with cash.





REMEMBER

You can check the glossary at the back of the booklet to learn unfamiliar terms.

Activity #6: Organize Your Cash Expenses

In this activity, you list your cash expenses and decide whether each one is a need or a want. You'll use this information later when you put together your money map.

Step 1: Name each expense category and check either need or want for the expense.

Step 2: Write the amount you spent in each category next to the item.



My Cash Expenses for the Month of _____

Expense Description	Need	Want	Amount
1. _____	_____	_____	\$ _____
2. _____	_____	_____	\$ _____
3. _____	_____	_____	\$ _____
4. _____	_____	_____	\$ _____
5. _____	_____	_____	\$ _____
6. _____	_____	_____	\$ _____

EXAMPLE: Cash Expenses for SEPTEMBER

Expense Description	Need	Want	Amount
1. Personal care items from drug store	X		\$ 7.65
2. Meals eaten out		X	\$ 9.20
3. Groceries from supermarket	X		\$150.00
4. Doctor visit co-pay	X		\$ 25.00

Activities #7 and #8 create two more lists:
"Monthly Expenses" and "Credit Card Charges."

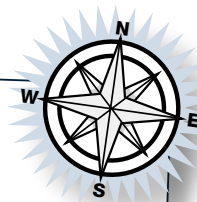
The good news is that you don't have to wait a month to create these lists.

Activity #7: Organize Your Recurring Monthly Expenses

Make a list of your fixed recurring monthly expenses and decide whether each expense is a need or a want. Recurring expenses are expenses that keep happening in the same way month after month. You'll use this information later when you put together your money map.

Step 1: List each expense and check either need or want.

Step 2: Write the amount you spent next to the expense.



My Fixed Recurring Monthly Expenses for the Month of _____

Expense Description	Need	Want	Amount
1. _____	_____	_____	\$ _____
2. _____	_____	_____	\$ _____
3. _____	_____	_____	\$ _____
4. _____	_____	_____	\$ _____
5. _____	_____	_____	\$ _____
6. _____	_____	_____	\$ _____

EXAMPLE: Fixed Recurring Monthly Expenses for SEPTEMBER

Expense Description	Need	Want	Amount
1. Rent	X		\$400.00
2. Utilities*	X		\$ 74.00
3. Telephone	X		\$ 20.00
4. Student loan payment	X		\$ 50.00

* Utilities are services such as electricity, gas, water and heating oil.

Activity #8: Organize Your Credit Card Charges

Credit Card

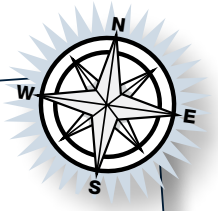
A credit card allows you to purchase items now, and pay for them later. We'll be talking a lot more about credit cards in Chapter 6.

In this activity you create a list of **credit card** charges and decide whether each item on the statement is a need or a want. You'll use this information later when you put together your money map.

Don't put anything on this list that you included in your Recurring Monthly Expenses. This is the easiest of the lists to create. Your credit card statements list all of the charges.

Step 1: List each charge and check whether it is either a need or want.

Step 2: Write the amount you spent next to the charge.



My Credit Card Charges for the Month of _____

Charge Description	Need	Want	Amount
1. _____	_____	_____	\$ _____
2. _____	_____	_____	\$ _____
3. _____	_____	_____	\$ _____
4. _____	_____	_____	\$ _____
5. _____	_____	_____	\$ _____
6. _____	_____	_____	\$ _____

EXAMPLE: Credit Card Charges for SEPTEMBER

Charge Description	Need	Want	Amount
1. Groceries	X		\$ 10.00
2. Birthday gift for Mom		X	\$ 45.00
3. Concert tickets		X	\$ 50.00
4. DVDs		X	\$ 26.50

Activity #9: Bring It All Together!

The information you use to build your “Personal Statement of Monthly Income and Spending” comes from the lists you made in Activities #6 on page 10, #7 on page 11, and #8 on page 12.

Step 1: Copy all of the items checked “need” onto the list with the amount spent on each need.

Step 2: Total the amount spent on your needs.

Step 3: Copy all of the items checked “want” onto the list with the amount spent on each one.

Step 4: Total the amount spent on your wants.

Step 5: Add your total needs to your total wants.

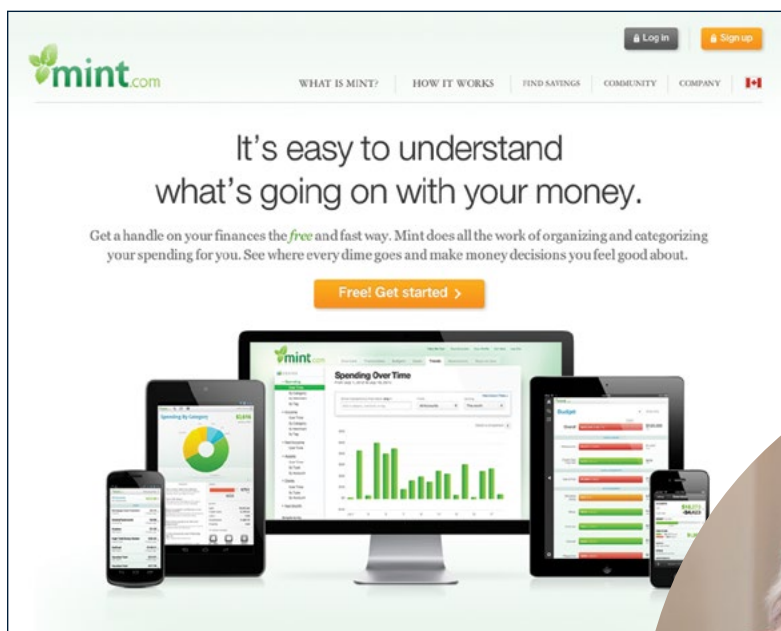
Step 6: Enter the amount of your monthly income from Activity #4.

Step 7: Subtract the total of your needs and wants (Step 5) from your monthly income (Step 6) to determine your cash flow.

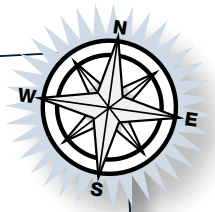


Penny Pincher Says!

You can also use online resources to help you track your income and spending. One example is <https://www.mint.com>.



Chris is using his iPad to monitor his bank account online.



My Personal Statement of Income and Spending for the Month of _____

Step 1: My Needs

Description

Amount

- | | |
|----------|----------|
| 1. _____ | \$ _____ |
| 2. _____ | \$ _____ |
| 3. _____ | \$ _____ |
| 4. _____ | \$ _____ |
| 5. _____ | \$ _____ |
| 6. _____ | \$ _____ |
| 7. _____ | \$ _____ |

\$ _____

Step 2: My Total Needs

Step 3: My Wants

Description

Amount

- | | |
|----------|----------|
| 1. _____ | \$ _____ |
| 2. _____ | \$ _____ |
| 3. _____ | \$ _____ |
| 4. _____ | \$ _____ |
| 5. _____ | \$ _____ |
| 6. _____ | \$ _____ |

\$ _____

Step 4: My Total Wants

Step 5: My Expenses (Total Needs + Total Wants)

Step 6: My Total Monthly Income

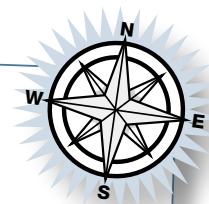
Step 7: My Cash Flow (Income – Expenses)

\$ _____

\$ _____

\$ _____

\$ _____



EXAMPLE 1: Personal Statement of Income and Spending for SEPTEMBER

Step 1: Needs

Description	Amount
1. Personal care items from drug store	\$ 7.65
2. Groceries from supermarket	\$160.00
3. Doctor visit co-pay	\$ 25.00
4. Rent	\$400.00
5. Utilities	\$ 74.00
6. Telephone	\$ 20.00
7. Student loan payment	\$ 50.00

Step 2: Total Needs

\$736.65

Step 3: Wants

Description	Amount
8. Birthday gift for Mom	\$ 45.00
9. Meals eaten out	\$ 9.20
10. Concert tickets	\$ 50.00
11. DVDs	\$ 26.50

Step 4: Total Wants

\$130.70

Step 5: Expenses (Total Needs + Total Wants)

\$867.35

Step 6: Total Monthly Income

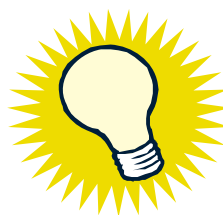
\$950.00

Step 7: Cash Flow (Income – Expenses)

\$ 82.65

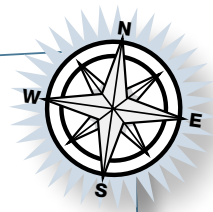
*Do you make more than you spend,
OR do you spend more than you make?*

In the example above, after expenses (spending) of \$867.35 are subtracted from income (money in) of \$950, there is \$82.65 left over (a positive cash flow). If this were your real statement, it would be great news! You would have \$82.65 to use for saving for some of your other needs or wants.



REMEMBER

Some expenses will remain the same from month to month, such as rent payments. These expenses are called fixed expenses. Other expenses will change from month to month; these are referred to as variable expenses.



EXAMPLE 2: Personal Statement of Income and Spending for SEPTEMBER

Step 1: Needs

Description	Amount	
	\$ 7.65	
1. Personal care items from drug store	\$160.00	
2. Groceries from supermarket	\$ 25.00	
3. Doctor visit co-pay	\$400.00	
4. Rent	\$ 74.00	
5. Utilities	\$ 20.00	
6. Telephone	\$ 50.00	
7. Student loan payment		\$736.65

Step 2: Total Needs

Step 3: Wants

Description	Amount	
	\$ 45.00	
8. Birthday gift for Mom	\$ 9.20	
9. Meals eaten out	\$ 50.00	
10. Concert tickets	\$ 26.50	
11. DVDs	\$ 90.00	
12. A second pair of sneakers		\$220.70

Step 4: Total Wants

	\$957.35
Step 5: Expenses (Total Needs + Total Wants)	\$950.00

Step 6: Total Monthly Income

(−\$ 7.35)

Step 7: Cash Flow (Income – Expenses)

The only difference between this example and Example 1 (page 15) is that this example includes an expense for a second pair of sneakers. After expenses (spending) of \$957.35 are subtracted from income (money coming in) of \$950, there is a shortage of \$7.35 (a negative cash flow)!

If you're spending more than your total income, you need to go back and look at your spending. Where can you reduce your spending? Start with your wants. Could you spend less on clothing? Could you eat out less often?

To Spend Or Not To Spend? Now, *That's* A Really Good Question!

The pressure to spend your money is all around you—ads are on TV, at the movies, in the newspapers, and at the grocery store. Your money has to be used to pay for ALL of your needs, and SOME of your wants, so it's really important to be a smart spender. Here's some advice:

- Take a shopping list with you and try to stick to it.
- Use coupons and look for sales.
- Don't go food shopping when you're hungry.
- Don't shop to cheer yourself up (no "retail therapy").

Stores and advertisers don't want you to STOP and THINK before spending, but you MUST! Ask yourself these questions before making a purchase:

- Do I really need this? Will I wear it or use it?
- If I buy this, will I be able to pay my bills?
- Should I wait a day or two and think it over?
- Should I wait until it goes on sale?
- Could I find it for a better price someplace else?

Tipping

What is a tip? A tip is a small amount of money given to someone for providing a service, whether they're serving you a meal in a restaurant, cutting your hair, or carrying your bags up to your hotel room. In many places the federal minimum wage for adults is around \$7.25 per hour. In establishments like restaurants, though, employers are legally allowed to pay their staff wages as low as \$2.83 an hour (in PA), with the assumption that they'll make the rest of their earnings in tips.

So, before you think about not leaving a tip, remember that the waiter is working hard to make your experience as enjoyable as possible. American custom suggests that you should leave a tip of 15% to 20% of the full amount before tax is added, depending on how satisfied you were with the service.

Bob is using an app on his smartphone to figure out the tip.



Penny Pincher Says! There's an App for That!

Mobile devices, such as smartphones and tablets, offer a variety of apps for your convenience. To find apps to help you with comparison shopping and/or calculating tips, search "Comparison Shopping" or "Tipping Calculator" in your device's app store and see what's available. A good app can make it quick and easy to find a bargain or figure out how much to tip.



Activity #10: Comparison Shopping

Ready to shop? Don't forget to compare! A good way to spend wisely is to get in the habit of comparison shopping. Comparison shopping means comparing the quality, price, and convenience of the products or services you want before buying them. As well as saving you a lot of money, comparison shopping also gives you information about what is available in your area, and allows you to use the shopping method that is most convenient and efficient for you. See the example below and use the blank chart to help you the next time you comparison shop.

EXAMPLE: Comparison Shopping for Jeans

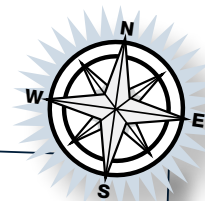
Store:	GAP (at the Mall)	Discount Store (Marshalls)	Internet	Thrift Store
Price:	\$50	\$35	\$30	\$10
Location:	Far away	Close	My home	Very close
Hours:	Convenient	Convenient	Convenient	Only open until 4:30 p.m.
Extra Costs:	\$10 for para transit	None	\$7 for shipping	None
Other:	Fun to visit!	None	Can't try them on	Don't have my size



Making Your Decision with Comparison Shopping

In the example above, we took the following into consideration:

- The jeans cost \$15 less at Marshalls than they did at the mall.
- Marshalls had the right size jeans, unlike the thrift store.
- Marshalls is easy to get to.
- The online list price for the jeans is \$5 less than Marshalls, but when you add shipping it's actually \$2 more. This price might be worth the convenience of shopping from home, as long as you don't mind not trying on the jeans first.



Comparison Shopping for _____

Store:	Store #1	Store #2	Store #3	Store #4
Price:				
Location:				
Hours:				
Extra Costs:				
Other:				

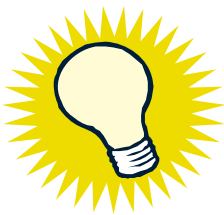


Penny Pincher Says!

Comparison shopping means comparing the quality, price and convenience of what you want to purchase.

My Personal Money Map

Chapter 3



REMEMBER

Money Mapping includes budgeting and much more.

Activity in This Chapter

➡ *Activity #11 Complete Your Personal Money Map*

A money map is your most important tool for controlling your finances. It's your plan for saving *and* spending money. It's a good idea to make a money map for each month of the year.

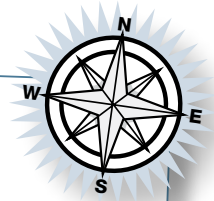
How do you begin to make a money map? The money map is just a copy of your "Personal Statement of Income and Spending" with a few adjustments that will reflect your plan to use surplus monies or address a deficit.

What is the next step? In the last chapter we figured out what your actual spending looked like for one month. (In our example, we used September.) Now you are going to turn your "Amount" column into your "Planned Spending" column for the next month. (In our example, it will be October.) This way you will plan your future spending based on amounts from the previous month. Add one more column called "Actual Spending" to record how much you actually spend that month.



Matt and Chris set aside money each month so they can buy brunch at the diner.

Each month when you record your spending, fill in the "Actual Spending" column and then start the next month's "Planned Spending" column with those numbers. You should make adjustments to your plan for the next month to account for extra money or shortfalls. It's very important that you not simply copy actual spending from the month before without addressing what you really want to do with your cash flow. The easiest way to understand how this works is to look at the example on the next page.



EXAMPLE: My Personal Money Map for October

Step 1: Needs

Description	Planned Spending	Actual Spending
1. Personal care items from drug store	\$ 7.65	
2. Groceries from supermarket	\$160.00	
3. Doctor visit co-pay	\$ 25.00	
4. Rent	\$400.00	
5. Utilities	\$ 74.00	
6. Telephone	\$ 20.00	
7. Student loan payment	\$ 50.00	
Step 2: Total Needs	\$736.65	

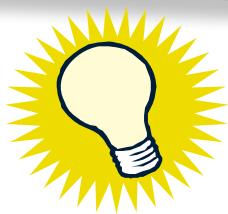
Step 3: Wants

Description	Planned Spending	Actual Spending
8. Birthday gift for Mom		
9. Halloween party supplies	\$ 45.00	
10. Meals eaten out	\$ 9.20	
11. Concert tickets	\$ 50.00	
12. DVDs	\$ 26.50	
Step 4: Total Wants	\$130.70	

Step 5: Expenses (Total Needs + Total Wants) **\$867.35**

Step 6: Total Monthly Income **\$950.00**

Step 7: Cash Flow (Income – Expenses) **\$ 82.65**
 $\$950.00 - \$867.35 = \$ 82.65$



REMEMBER

If your spending is more than your income, you need to figure out how you can cut some spending before you complete your money map.

Notice under “Step 3: Wants,” there is no planned spending for Mom’s birthday gift because her birthday happened in September. There is, however, planned spending for Halloween party supplies because that will happen in October.

Complete the Actual Spending Column

At the end of the month, record your actual spending for each of the items in your money map. Our next example now shows a completed money map.



EXAMPLE: My Personal Money Map for October

Step 1: Needs

Description	Planned Spending	Actual Spending
1. Personal care items from drug store	\$ 7.65	\$ 0
2. Groceries from supermarket	\$160.00	\$150.00
3. Doctor visit co-pay	\$ 25.00	\$ 25.00
4. Rent	\$400.00	\$400.00
5. Utilities	\$ 74.00	\$ 74.00
6. Telephone	\$ 20.00	\$ 30.00
7. Student loan payment	\$ 50.00	\$ 50.00
8. Car repair	\$ 0	\$100.00
	\$736.65	\$829.00

Step 2: Total Needs

Step 3: Wants

Description	Planned Spending	Actual Spending
9. Halloween party supplies	\$ 45.00	\$ 0
10. Meals eaten out	\$ 9.20	\$ 20.00
11. Concert tickets	\$ 50.00	\$ 30.50
12. DVDs	\$ 26.50	\$ 0
	\$130.70	\$ 50.50

Step 4: Total Wants

Step 5: Expenses (Total Needs + Total Wants)	\$867.35	\$879.50
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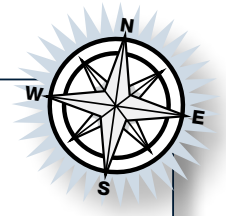
Step 6: Total Monthly Income	\$950.00	\$950.00
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Step 7: Cash Flow (Income – Expenses)	\$ 82.65	\$ 70.50
\$950.00 – \$879.50 = \$70.50		

Notice that spending for some items in this example changed from what was planned to what was actually spent. There was nothing spent on DVDs or on the Halloween party supplies. The actual phone was higher than you planned. There was an unplanned car repair. Income stayed the same. Fortunately, total spending for needs and wants was still less than income.

➡ Activity #11: Complete Your Personal Money Map

Now you're ready to go! On the next page is a blank worksheet that you can copy and use for your "Personal Money Map."



My Personal Money Map

Month: _____

My Needs Descriptions	Planned Spending	Actual Spending
1. _____	\$ _____	\$ _____
2. _____	\$ _____	\$ _____
3. _____	\$ _____	\$ _____
4. _____	\$ _____	\$ _____
5. _____	\$ _____	\$ _____
6. _____	\$ _____	\$ _____
7. _____	\$ _____	\$ _____
8. _____	\$ _____	\$ _____
My Total Needs	\$ _____	\$ _____
My Wants Descriptions	Planned Spending	Actual Spending
1. _____	\$ _____	\$ _____
2. _____	\$ _____	\$ _____
3. _____	\$ _____	\$ _____
4. _____	\$ _____	\$ _____
5. _____	\$ _____	\$ _____
6. _____	\$ _____	\$ _____
My Total Wants	\$ _____	\$ _____
My Expenses (Total Needs + Total Wants)	\$ _____	\$ _____
My Total Monthly Income	\$ _____	\$ _____
My Cash Flow (Income – Expenses)	\$ _____	\$ _____

To Review: Understanding Your Money Map

Spending Less Than Your Income

Surplus

Money left over.

Spending less than your income is good! This is called a **surplus**. It means you have money left over. You're in good shape.

When you plan a money map at the beginning of the month, plan to spend less than your expected income. At the end of the month, compare your Total Spending for needs and wants to your actual Total Monthly Income.

The difference of \$70.50 in our example is money that you can put toward savings.

Spending More Than Your Income

Deficit

When there isn't enough money to cover all expenses.

Spending more than your income is not so good! This is called a **deficit**. It means you have overspent and it is time to look at where you are spending too much.

What should you do if your actual spending is greater than your income? You may have to make up the difference by using your savings or by borrowing.

You will get yourself into financial trouble if you keep spending more than your income. Your monthly money map will help you clearly see this so that you can avoid over-spending.

If you find yourself spending more than you had for the month, don't panic. Take a look at where you over-spent. Can you cut spending for entertainment? Could you stop eating out? In your money map, commit to spend less on your wants and try to stick to the plan. This is how you control your finances.

Lauren is reviewing her bank statement so that she knows how much she spent last month.



My Lifelong Commitment To Saving

Chapter Four

Activities in This Chapter

III➡ Activity #12 What Am I Saving For?

III➡ Activity #13 What Will I Do to Save?

In the past, you may have planned to save money at the end of the month. But, in reality, you probably didn't have much left over. You probably spent it on all of your need expenses and on some of your want expenses.

You can change that. Rather than saving money *only* if you have any left over, you can put some aside—no matter how small the amount—into savings right at the beginning of the month. This is called *paying yourself first*.

Save \$5, \$10, or \$20 a month, whatever amount you decide. Ideally, aim to save 10% of your income. For example, if your income every month is \$800, 10% would be \$80. The most important thing is to start saving now and make it a lifetime habit.

Bob is helped by his sign language interpreter to deposit cash at the bank.



➡ Activity #12: What Am I Saving For?

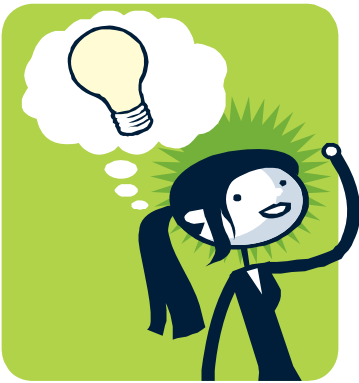
You save money for the future. It's a great idea to create some savings goals for yourself. Some examples of things you might save for are:

- Expensive purchases like a home or an adapted van,
- Special occasions like a birthday or a vacation,
- An unexpected emergency like a broken refrigerator or a computer repair, or
- Entertainment like a movie or concert tickets.

My Savings Goals

List some things you plan to save for:

1. _____
2. _____
3. _____



Penny Pincher Says!

Look at my bright ideas:

- Drop your spare change into the Coinstar Center machine at your local grocery store in exchange for a gift card. You may be charged a small fee if you decide you want a cash voucher instead of a gift card.
- Buy yourself a digital coin bank so you can track how much you're saving when you drop in your spare change!

Tips for Successful Saving

If you think that paying yourself first is easier said than done, here are some ideas to get started:

- Begin by looking at your want expenses. Are there some wants you could do without?
- Include "savings" as part of your spending plan. Make "saving" an expense in your budget. Make it come before spending for things you want but may not need.
- Try putting a \$1 a day, plus your pocket change, into a large envelope or jar. *Keep it in a safe place.* At the end of the month, deposit that money into your savings account. This can REALLY add up! (Save one dollar each day, just seven dollars each week, and you can save \$365 in a year!)
- When you shop for items like food and clothes, look for things that are on sale.
- Try shopping at thrift stores or garage sales. You can pick up some great bargains this way.
- Shop at dollar stores to get a lower price.
- Break expensive habits, such as excessive clothes-buying, drinking, or smoking, and save the difference.

- When you purchase a product, send in any **rebate** forms. Most people forget to take advantage of this savings tool.
- If possible, have your employer automatically deduct money from your paycheck and deposit it into your savings account. What you don't see, you won't miss. Even if the amount is small, you'll be amazed how fast your savings grow.
- Another option is to have your bank or credit union automatically deduct a set amount from your checking account each month and deposit it in your savings account.
- Put any tax refund, raise or bonus you receive into savings rather than spending it.

Rebate

A rebate can be an additional discount when you purchase a product or it can be a partial refund if you have paid too much money for taxes, rent, or a utility, such as electricity, gas, or water.

Activity #13: What Will I Do to Save?

Make a list of what you will do to save for your goals.

1. _____
2. _____
3. _____
4. _____

Saving Limits for People Receiving Government Benefits

If you receive financial assistance from Supplemental Security Income (SSI) or services from one of Pennsylvania's Home and Community-Based Waiver Programs, make sure that your total resources (that includes the total of your checking and savings accounts) are within the program guidelines. For example, if you receive SSI, the total for your **countable resources** cannot be more than \$2,000. Exceptions are made for your own home and your own car for essential transportation—the value of these items is not counted against the \$2,000 resource limit.

The Waiver guidelines are a little more flexible, but there are still strict limits on how much you can earn each month as well as the total amount of countable resources you may have and still maintain your services.

For information about Pennsylvania's Waiver programs, visit the Department of Human Services's website, www.dhs.state.pa.us, and click on "For Disability Services" on the left-hand side of the page. You can also call toll-free, 1-800-692-7462.

Countable Resources

Certain assets are not counted when Social Security determines eligibility for SSI or the state determines eligibility for Medical Assistance (Medicaid). For a complete list of assets that are not counted, go to: <http://www.socialsecurity.gov/ssi/text-resources-ussi.htm>.

Social Security Disability Insurance (SSDI)

An earned benefit for people with significant disabilities who are no longer able to work. SSDI is funded through payroll taxes, so the amount you receive is based on how long you've worked and how much you have paid into the system.

Supplemental Security Income (SSI)

A federal (unearned) income benefit for adults and children with disabilities, and adults 65+, who have limited income and resources. SSI is funded by general tax dollars and provides a cash benefit that pays for basic living needs.



Penny Pincher Says!

It may be possible to receive both SSDI and SSI benefits.

A Question Everyone Has ...

What's the difference between **Social Security Disability Insurance (SSDI)** and **Supplemental Security Income (SSI)**?

That's an important question! The initials of the programs are so similar that it's easy to confuse the two.

- SSDI is an earned benefit (cash) provided for individuals with significant disabilities that keep them from engaging in their normal occupation or any other work. Individuals must be between 18 and 65, and must have worked a certain number of years to be eligible. The spouse of the person with the disability, and any dependent children, may also be eligible to receive partial dependent benefits, called auxiliary benefits.

SSDI is funded through payroll taxes, so the amount you receive is based on how long you've worked and how much you've paid in Social Security taxes. After receiving SSDI for two years, a person with a disability will also become eligible for Medicare.

- SSI, meanwhile, is an unearned benefit that pays cash on a monthly basis to people with limited income and resources who are 65 or older; to adults who have a disability (based on the same definition used by SSDI) or are blind; and to children who have a disability or are blind. This program is only for people who have very limited income and assets. Individuals who receive SSI are also eligible for Medical Assistance.

For more information about SSI, go to the Social Security Administration website, www.ssa.gov.

There Are Ways to Save Money and Not Lose Benefits

There is good news. It may be possible for you to save money and be able to keep your SSI payments and Waiver services. The three most common ways to save money are with a PASS account, a Special Needs Trust, or with an individual Development Account (IDA).

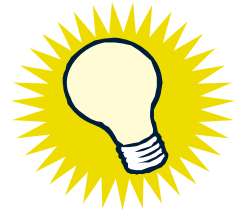
Plan to Achieve Self-Support (PASS)

For people with disabilities who plan to work, or are working, it's possible to set up a savings account, called a Plan to Achieve Self-Support (PASS), through the Social Security Administration, which will allow you to set aside monies for a specific item or service that is needed for a work goal. These monies will not be counted against your resource limit for SSI. A PASS account can make it possible for you to save the money you need for things like a down payment for a car that will help you get to a job, or for a computer that will allow you to start your own business.

Special Needs Trusts

A Special Needs Trust is a specially-designed account that can be very helpful if you receive government benefits (like SSI, Medical Assistance or food stamps) which limit how much you are allowed to save in your bank or credit union accounts. If the Trust is created in the right way, the money in the Trust won't be counted against the limits the government has set up for how much money you can save. Trusts are complicated, and there are important things to know:

- A family member or friend may establish a Trust on your behalf.
- Family members or friends can deposit money into the Trust.
- A Trust can be used to pay for big expenses, like a trip to visit family, a new computer or a TV.
- A Trust cannot be used to pay for regular, recurring expenses, like food, rent or utility bills.
- A Trust can be a good way to plan for your future.
- To find out more about Trusts, speak with a lawyer who has experience with Trusts.



REMEMBER

The money you set aside in a PASS account will not affect your eligibility for SSI or the amount of your SSI check. For more information, check out Social Security online:

www.ssa.gov/disabilityresearch/wi/pass.htm

Individual Development Accounts (IDAs)

Individual Development Account (IDA) programs help people with a lower income save money for things like education, starting a business, or buying assistive technology. For every dollar a person puts into an IDA, the program will add a dollar (often more). Before you can receive this matching amount, you have to agree to the rules of the program, such as making regular contributions to the account or taking free classes on how to manage money. For more information about IDAs, or to find a program near you, you can contact the Corporation for Enterprise Development (CFED) at www.cfed.org, or you can contact your local United Way chapter at <http://www.unitedway.org/find-your-united-way>.

Emily is working with her Social Security counselor.





Coming Soon: ABE Act

In December, 2014 a law called Achieving a Better Life Experience (ABLE) Act was passed by the U.S. Congress and signed by President Obama. States are now developing their own legislation to implement this federal law. Several bills have been introduced in the Pennsylvania General Assembly and legislators are expected to pass legislation before the end of 2015.

An ABLE account can fund a variety of essential expenses for individuals who have acquired a disability prior to the age of 26. These include assistive technology, education, housing, transportation, employment training and support, health, prevention and wellness, financial management, administrative services and funeral and burial expenses.

Beneficiaries will be able to save \$14,000 annually, including deposits from family and friends, and up to \$100,000 total while still remaining eligible for SSI and Waiver services. If a beneficiary's account goes over this amount, he or she will still retain their Medical Assistance coverage. For more information on Pennsylvania's ABLE Act, go to the Pennsylvania Treasury website, www.patreasury.gov. Please see the graphic on page 31.

Penny Pincher Says!

Do You Work or Attend College?

You may be able to keep your SSI and Medical Assistance benefits while working or attending college. For more information go to the Social Security website: <http://www.socialsecurity.gov/disabilityresearch/wi/medicaid.htm> and <http://www.ssa.gov/ssi/spotlights/spot-student-earned-income.htm>.

OVR + PASS + PATF = A Modified Van for Sharrod!

When Sharrod was 9 years old, he contracted bacterial meningitis, and had to have partial amputations of both arms and legs. He gradually learned how to use his prosthetic limbs and his power wheelchair, which made it possible for him to attend his neighborhood school.

Sharrod worked hard to reach his goals to have a job and a family. He worked at various jobs while attending college, and is now employed full-time at the Internal Revenue Service (IRS). To get to work, Sharrod needed to purchase a vehicle with a ramp and specialized hand controls. Pennsylvania Assistive Technology Foundation (PATF) helped put together a funding package.

The Pennsylvania Office of Vocational Rehabilitation (OVR) paid for the vehicle modifications, Sharrod's PASS account paid for a down payment on the van, and a PATF low-interest loan paid for the balance of the van.

Sharrod and his family enjoy their accessible van.



Achieving a Better Life Experience (ABLE) Act – Understanding the ABLE Act

The ABLE Act, signed into law on December 19, 2014, gives individuals with disabilities the opportunity to establish tax-deferred savings accounts to maintain their independence, pursue their dreams and contribute to their communities. ABLE Plans fall under Section 529 of the Internal Revenue Code.

Protects current disability and healthcare benefits

In general, ABLE Plan funds would not affect eligibility for **Supplemental Security Income (SSI)**, **Medical Assistance (Medicaid)** and other federal means-tested benefits. Currently, individuals with more than \$2,000 in assets are not eligible for SSI.



Withdrawals for qualified expenses are not considered income for tax purposes; and will, as a general rule, be exempt as a resource for any means-tested government benefit.

Qualified expenses under the ABLE Act include:



Who can have an ABLE Plan?

You are eligible for an ABLE Plan if you acquired a blindness or a disability prior to the age of 26. Proof of disability includes:



Who might benefit the most?

The ABLE Act makes it possible for a person to save more than the \$2,000 SSI asset limit. Save earned income, gifts, or inherited money for education, a vehicle, the purchase of a home, or as a reserve for repairs for assistive technology without jeopardizing existing benefits.



Setting up an ABLE Plan



13.5%

Pennsylvanians who reported having a disability in 2012, according to the American Community Survey.

Total amount that can be saved in an ABLE account while maintaining eligibility for SSI and waiver services. Beneficiary will retain Medicaid.

\$100,000

\$14,000

Total possible annual contributions, including those from family and friends, into an ABLE account without losing eligibility for government benefits. Gift tax exclusion applies.

PATF
PENNSYLVANIA
ASSISTIVE TECHNOLOGY
FOUNDATION

PATF is a non-profit organization that provides education and financing opportunities to people with disabilities and older Pennsylvanians to acquire the assistive technology they want to live independently. Visit us at patf.us

Many thanks for this dynamic design, borrowed in part from:

AAPD

For more information on the American Association of People with Disabilities, visit AAPD.com

Allsup
Life Reclaimed

For more information on Social Security Disability Insurance, visit Expert.Allsup.com

Work Incentives

Work Incentives are programs that the Social Security Administration (SSA) offers to people with disabilities who are receiving Supplemental Security Income (SSI) and/or Social Security Disability Insurance (SSDI) to help make it possible for them to explore work while still receiving health care and cash benefits.

Work Incentives: It Always Pays to Work!

Work Incentives are programs that the Social Security Administration (SSA) offers to people with disabilities who are receiving Supplemental Security Income (SSI) and/or Social Security Disability Insurance (SSDI) to help make it possible for people to explore work while still receiving health care and cash benefits. The Work Incentives are slightly different depending on whether you receive SSI or SSDI; however, all the Incentives are designed to encourage you to enter, re-enter or continue in the workforce.

A few examples of SSDI Work Incentives include:

- The trial work period. This allows you to test your ability to work for at least nine months without losing your Social Security benefits, regardless of how much you earn.
- Extended period of eligibility benefits. After the trial period, you have 36 months during which you can work and still receive benefits for any month in which your earnings aren't "substantial," as defined by the SSA.
- Expedited reinstatement. If you continue working after the trial work period and the extended period of eligibility for benefits, your SSDI will stop. However, if within five years you are unable to continue working because of your disability, you can resume your SSDI benefits without having to file a new application.

A few examples of SSI Work Incentives include:

- Continuation of SSI. If you begin working, SSA will continue to pay you your SSI benefits unless your earnings exceed the SSI income limits.
- Expedited reinstatement. After SSI is stopped, if within five years, you are unable to work again because of your disability or medical condition, SSA will not require a new disability application.
- Deduction of work expenses related to the disability. Money spent on items and services necessary for work because of your disability (e.g., an adapted vehicle, hearing aids) will be deducted from your earnings before SSA assesses your eligibility for benefits.

You can learn more about Work Incentives by reading Social Security's *Red Book*. To find the 2015 version of the *Red Book* (also in Spanish), go to www.socialsecurity.gov/redbook.

Michael is an advocate for the #IWantToWork campaign. This campaign will provide paid employment opportunities for people with disabilities during their high school years.



Do You Need Help Understanding the Work Incentives Programs?

There are three agencies in Pennsylvania that can provide free counseling to people who qualify for SSDI and/or SSI and who are interested in learning how working may affect their government benefits. These agencies are funded, in part, by a federal program called Work Incentives Planning and Assistance (WIPA).

Working with a WIPA agency can help you:

- Understand the rules of specific Work Incentives;
- Analyze how work and earnings may affect your Supplemental Security Income (SSI), Social Security Disability Insurance (SSDI), health care, and other public benefits; and
- Understand the services provided by PA's Office of Vocational Rehabilitation.

WIPAs do not make any decisions about a person's benefits. Those decisions are made by the Social Security Administration (SSA) and other agencies (including the Department of Human Services and the Office of Vocational Rehabilitation).

Each of the three Pennsylvania WIPA agencies is responsible for specific areas of the state. To find out which agency covers your county, contact one of the agencies listed below.

- Western PA and the Southern Allegheny Region:
AHEDD (866) 902-4333
www.ahedd.org
- Southeastern PA:
Disability Rights Network of PA (DRN) (800) 692-7443
www.drnpa.org/wipa/
- Central and Northeastern PA:
Goodwill Keystone (888) 960-9675
www.yourgoodwill.org/grow/work-incentives-planning-and-assistance-wipa



Preparing for Retirement

If retirement savings will not put your government benefits in jeopardy, retirement planning is something you should begin as soon as possible. There are a whole set of rules and a lot of thinking that needs to go into planning for retirement. These are some useful websites to help you begin the planning process:

www.vanguard.com,
<https://www.tiaa-cref.org>,
or http://www.dol.gov/ebsa/publications/10_ways_to_prepare.html.



Kimiko loves animals and enjoys her job at the local pet store.

Where Should I Keep My Money?

5 Chapter Five

Activity in This Chapter

Activity #14 *Protect Yourself from Identity Theft*



Suzanne is able to access an ATM using the headphone jack to hear instructions and the braille keypad to type in her Personal Identification Number (PIN).

Information About Credit Unions and Banks

A credit union or a bank, if insured, is a safe place to keep your money. Both offer services that can make it easy for you to protect your money, track your expenses, and set up a savings plan. The description on the next two pages can help you decide what the best option is for you.

Penny Pincher Says!

In today's world, you can easily manage your money without physically going to your bank or credit union. But for those who like to, getting to know the tellers and staff can be a good thing. Building a relationship with someone at your bank can help you to have a sense that people know who you are and care about your well-being.



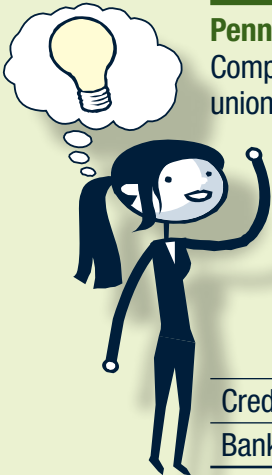
What is a Credit Union?

Credit unions are financial membership organizations. You must become a member of a credit union in order to use its services. Often this means that you have to pay a small, one-time-only fee. Most credit unions offer financial education opportunities, credit and debit cards, online banking,

and other services. Because credit unions are non-profit organizations, they often charge lower fees than banks and pay higher interest rates on savings accounts, money market accounts, and interest checking accounts. However, credit unions, because they often cover a smaller geographic area than banks, generally have fewer branches and ATMs (Automated Teller Machines).

What is a Bank?

Banks are for-profit institutions that usually provide more services than a credit union because they are responding to the demand for “one-stop shopping.” This means that most banks will offer services to individuals as well as businesses. These services and products include debit cards, credit cards, checking and savings accounts, money market accounts, mortgages, home equity loans, online banking, and extended service hours. Banks typically have multiple branches across a large region. Use the chart below to help you decide if a credit union or a bank is right for you.



Penny Pincher Says!

Comparison shop your banks and credit unions! If you don’t have an account with a bank or credit union, start one now. Compare the banks and credit unions near where you live. Shop around. Talk with family and friends about where they do their banking or check out these two helpful websites: www.creditunionsonline.com and www.findabetterbank.com. See who offers the services you are looking for and who has the best rates.

	Cash checks for free	Accounts available	Open to everyone	ATM machines available	Online services	Lower fees	Accounts insured
Credit Union	✓	✓		✓	✓	✓	✓
Bank	✓	✓	✓	✓	✓		✓

The most important factors to remember in choosing where to keep your money are: location, hours, online presence, and whether or not there are fees associated with using the bank or credit union. Identify what matters most to you, and start an account today!

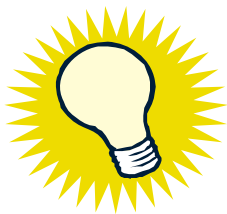
The following are services that credit unions and banks can offer you.

• **Checking Accounts**

A checking account is a service that gives customers a way to pay bills by check or online, and a way to deposit money. Checking accounts often don’t pay **interest**, or if they do, the interest they pay is less than what you can earn in a savings account. A minimum balance is sometimes required. Some banks or credit unions charge a monthly fee for checking accounts. Often banks and credit unions offer debit cards that are linked to your checking account.

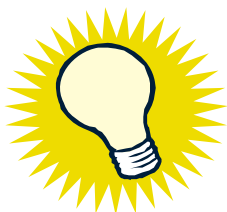
Interest

Interest is a fee paid to use someone else’s money. A bank or credit union pays interest to you when you put money into a savings account. You pay interest when you borrow money from a bank or credit union.



REMEMBER

When deciding where to open a checking or savings account, look for a bank that is FDIC-insured or a credit union that is insured by NCUSIF so that your money will be protected! Check the glossary on page 60 to learn the full names of these two insurance programs.



REMEMBER

When you first get a debit card, your bank or credit union will ask if you want to have something called overdraft protection. Overdraft protection automatically transfers funds to cover purchases if you don't have enough money in your checking account. There is a fee to receive this type of protection, so we recommend that you say "no" to overdraft protection.



Penny Pincher Says!

What will you need to open a checking or savings account?

- A Social Security card or your Social Security number;
- Photo identification, like a driver's license or non-driver's identification card;
- Proof of your current address, such as a utility bill; and
- The minimum amount of money needed to open the account.

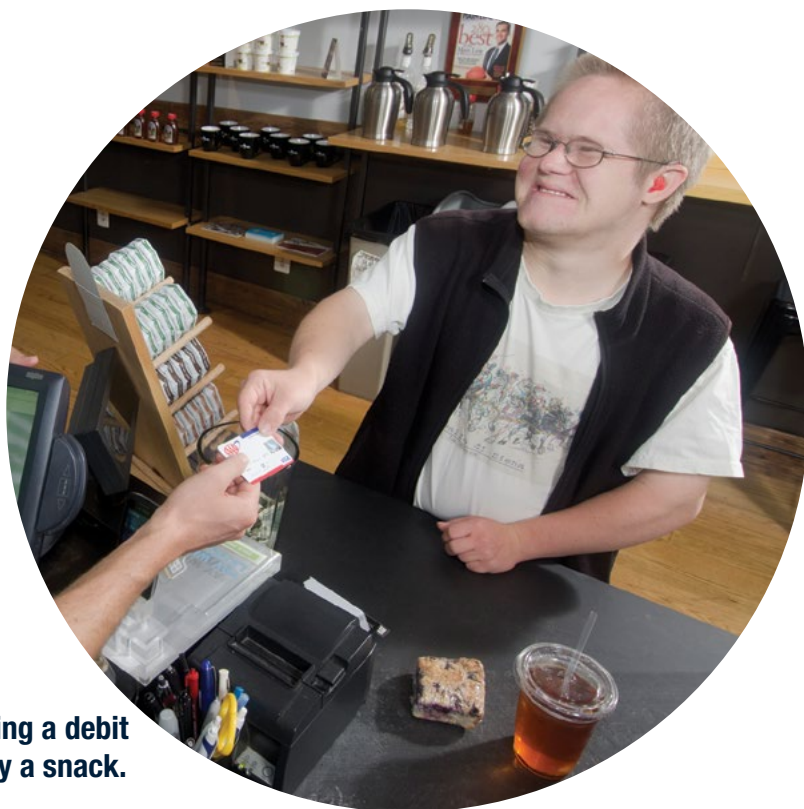
Because banks and credit unions differ, call and ask what the minimum deposit is and what else you should bring if you want to open an account.

- **Savings Accounts**

A savings account is a secure place to keep your money for future use. Some people use them to save up for a vacation or for an expensive purchase. Savings accounts normally pay you a small amount of interest.

- **Debit Cards**

A debit card is a plastic card that is connected to your credit union or bank account. When you make purchases using this card, money is immediately taken from your account to cover the cost of the purchases. Debit cards can also be used for the withdrawal of cash. Service fees may be charged, however, if you make the withdrawal from a credit union or a bank that is not your own.



Nate is using a debit card to buy a snack.

Important Information About Social Security Benefits

Since January 2013, the Social Security Administration requires people who receive SSI, SSDI, and other federal benefits to have a bank account, a credit union account, or a debit card for direct deposit of your benefit.

Several companies have set up new debit cards you can use to receive government benefits. How do they work? Each month funds are automatically added to a special account that is tied to the debit card. Then you use your debit card just like cash to make purchases everywhere debit cards are accepted up to the amount that is in your account. The card may be used to pay bills and for on-line, phone, or mail order purchases.

You can also use the debit card to withdraw cash at ATMs, banks or credit unions, or by getting cash back with purchases from participating merchants. The amounts of purchases, bill payments or cash withdrawals are automatically deducted from the available balance on the card.



Penny Pincher Says!

An example of a direct deposit card is the Direct Express® Debit MasterCard® card account. Sign up by contacting the U.S. Treasury Electronic Payment Solution Center at (800) 333-1795, or go to <http://godirect.org>. The Direct Express® card is safe and there are only minimal fees.

- **Online Banking**

Today it's possible to do nearly all of your banking online. Services may include: opening a bank account, checking your balance, creating a budget, depositing checks, paying bills, and more! Ask your bank or credit union what services are available to you and how to log on using your computer or the app on your mobile device.

- **ATMs (Automated Teller Machines)**

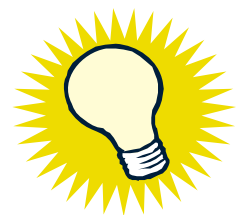
Almost every bank or credit union has Automated Teller Machines (ATMs) that allow you to skip the teller window and conduct your basic banking tasks at the machine. Your bank or credit union will issue a card for use at its ATMs. This card may also serve as a debit card if you give your permission.



Check-Cashing Stores

Some people don't have a credit union or bank account and cash their paychecks at a check-cashing store. There are two really good reasons for *NOT* using these stores:

1. It costs you money to cash a check at one of these places. They charge you a big fee, typically 3–7% of the check amount. This means you have less money left to spend on things you need and want.
2. It's not a good idea to have a lot of cash in your pocket or lying around your house. Your money is less likely to get lost or stolen if it's in a credit union or bank.



REMEMBER

Think twice about using check-cashing stores.



Penny Pincher Says!

- **PayPal** is a very secure Internet-based financial service. You can sign-up for a free PayPal account and then link it to your bank account, debit or credit card so that you can buy things online or in a store. Your financial information is never shared with the seller. PayPal does not charge a fee when you buy something, but there may be a small fee for some of the other services. For more information, visit <https://www.paypal.com/us/home>.
 - **Phishing** is a kind of identity theft where criminals try to get your personal information by pretending to be an honest business. Falling for a phishing scam can really hurt you. To protect yourself against these scams, remember: Businesses should never ask you for personal information by email and you should never give it to them. Also, be careful when you click on links in an email. And always use a spam filter and antivirus software on your computer.
-



Michael is shredding an old credit card bill. Contact your municipality to ask about local shredding events.

Identity Theft

Identity theft is one of the fastest growing crimes. It happens when someone steals your personal information and then uses it to buy things that you have to pay for.

What Can Happen if a Thief Steals Your Identity?

The thief can:

- Take out a loan in your name;
- Open credit cards in your name;
- Rent an apartment and open utility accounts in your name;
- Use your ATM card and take all of the money out of your account;
- Get a driver's license or other ID card, using YOUR name, and HIS photo; and
- Try to use your Social Security number to get government benefits for himself.

You need to protect your personal information to avoid being responsible for purchases you did not make. You can check for identity theft at least three times a year by getting a free credit report from each of the three credit bureaus. (We'll talk about credit bureaus in the next chapter.)

How Can You Protect Your Identity?

- Never throw personal information in the trash, especially a public trash can. Always shred personal documents like credit card bills, ATM receipts, and bank statements. Be sure you shred items small enough that they cannot be put back together.
- Use only secure websites (https) when you make Internet purchases. PayPal is a safe way to make online purchases and payments.
- Be aware of who is around and may be watching when you use an ATM machine.
- Be very cautious when giving out your Social Security number or financial information online or to someone over the phone.

- When you create a **User Identification (ID)** and **Personal Identification Number (PIN)** code for an account, make it something that will be difficult to guess.
- Make sure that you keep a copy of all of your account numbers in a safe place.
- If you ask someone to get cash for you with your debit or credit card, always ask for a receipt to be sure that the amount you received is exactly the amount that was withdrawn. Make sure to monitor your account by reviewing your bank statements online or when they come in the mail.

What Can You Do If Your Identity Is Stolen?

- File a police report. This will provide legal rights for you with credit bureaus and companies where your identity theft took place.
- Contact your credit union or bank where you do business to tell them your identity has been stolen.
- If you have a credit card, contact the credit card company immediately.
- When you receive your monthly credit card statement, check for purchases that you did not make. If there are purchases that you did not make, contact the credit card company, in writing, to let them know. Request twice-monthly copies of your credit report until your case is resolved. This is a free service for people who have had their identity stolen.
- File a complaint with the Federal Trade Commission by calling 1-877-438-4338 or online at <http://www.consumer.gov/section/scams-and-identity-theft>.

Cleaning up once your identity has been stolen is a very time-consuming job, so it is important to take time to do the necessary steps to be sure no one is ever able to make you a victim of identity theft.

Activity #14: Protect Yourself from Identity Theft

Make a list of things you can do right now to protect yourself from identity theft:

1. _____
2. _____
3. _____
4. _____

User Identification (ID)

This is a made-up name you use to identify yourself when you are signing into an account. Normally, you shouldn't share your username with anyone. If you must share it because you need assistance, be sure you trust the person.

Personal Identification Number (PIN)

A PIN is a secret code you use to gain access to the money in your accounts. Normally, you shouldn't share your PIN with other people. If you must do so because you need assistance, always ask for a receipt and then check your monthly bank statement.



Penny Pincher Says!

Remember to keep track of all of your account numbers and Internet passwords. A great way to do this is to buy a small notebook, and write down all of your important information. Make sure you keep the notebook in a safe place.

Borrowing Money

Chapter Six

Activity in This Chapter

➡ *Activity #15 Get and Understand Your Credit Report*

Assistive Technology (AT)

A device that helps a person who has a disability do the things he or she wants to do. Examples of AT include an adapted vehicle, a ramp into a home, an iPad, hearing aids, and a wheelchair or scooter.

People often borrow money for major purchases. Why? Because most people don't have enough of their own money right now to buy expensive things they really need, like a vehicle, a home or **assistive technology**. That doesn't mean, however, that you can't buy these things. Instead you can borrow what you need to purchase the item now, and then pay the money you borrowed back over time.

Craig needs a van to drive to work.



Penny Pincher Says!

For more on AT go to Chapter 7 on page 48.





What You Need to Know About Borrowing

- What is credit?
- Why is it important to have good credit?
- How do you establish credit?
- What are credit reports and credit scores?

What is Credit?

Credit is money that you can borrow with the promise to repay it at a later date.

Credit is not free. It allows you to borrow money when you don't have cash, but you may be charged interest and fees. There are two main types of credit: Installment Credit and Revolving Credit.

<i>Installment Credit</i>	<i>Revolving Credit</i>
This is credit that you use to borrow money and promise to repay in equal amounts over a specific period of time.	This is credit that allows you to borrow a pre-established amount over and over again, as long as your account is in good standing. Each month, you repay the amount borrowed in-full or you make a partial payment.
Example of installment credit: Hilary signs an auto loan in which the agreement requires that she pays the lender \$350 each month for six years.	Example of revolving credit: Max signs up for a credit card. He is given a card that will allow him to borrow up to \$500. He uses the card to make purchases that total \$125. Now he only has \$375 credit left. At the end of the month, Max receives his statement.  He can choose to pay off what he owes in-full (\$125) so that he'll have \$500 that he can use next month. Or,  Max can choose to pay the monthly minimum amount (\$25), but he will have only \$400 credit available the next month. Because he only pays the minimum, Max will owe interest.

Credit

Credit is money that you can borrow with the promise to repay it at a later date.



Penny Pincher Says!

Here are my useful tips for unexpected expenses:

- Build up an emergency cash fund in your savings account.
 - Build good credit so you can borrow from your credit union or bank.
 - Keep a credit card for emergency expenses.
-

Debt

Debt is money that you borrow and must repay. For example, if you borrow \$25 from a friend, you will need to pay her back \$25. \$25 is a debt that you owe your friend.

Why Is It So Important to Have Credit?

Good credit is necessary if you plan to make a major purchase and have to borrow the money. You need to establish good credit. Good credit means that you pay your bills on time and you don't have too much **debt**. The importance of good credit also goes beyond purchases. It also means that you will be able to do things like rent an apartment in your own name, have a cell phone, or pay lower insurance rates. It may even help with getting a job because some employers will ask to check your credit score before deciding to hire you.

How Do You Establish Credit?

There are several ways you can establish credit. You need to show potential lenders that you will be responsible for paying back a loan in the time period that you said you would. How can you do this?

- You can take out a personal loan from a bank and pay it back on time.
- You can get a credit card, charge purchases on your card, and pay your monthly credit card bill by the due date.
- You can even establish credit by paying rent and utility bills on-time.

Beware! Don't Get Trapped by Payday Loans!

If something sounds too good to be true, it probably is.

Payday loans are small loans made by check cashers or similar businesses at *extremely* high interest rates. Typically, payday loans are short term (two weeks) and for a few hundred dollars. To get a loan, you write a personal check for the amount that you are borrowing, plus a fee. The lender agrees to hold onto the check until you are ready to repay. In return, you get cash immediately.

David took out a payday loan for \$500. He plans on repaying his loan in two weeks. The payday lender says he will charge David \$20 interest for every \$100 that he borrows during this time period. This means that David will owe \$600 when he repays his loan in two weeks. Why?

\$20 interest for every \$100 borrowed. David is borrowing \$500.

$\$20 \times 5 (\$100) = \$100$ interest

$\$500$ borrowed + $\$100$ interest = $\$600$

Unfortunately, David didn't have the \$600 he needed in two weeks, so he extended the loan for another two weeks. Suddenly, he owed \$700 because the interest kept piling up! If David kept extending the loan for a year, it would cost him \$2,600 in interest just so he could borrow \$500.

The main reason to avoid payday loans is that they don't help you solve the real problem. If you're having financial difficulties, payday loans can only make the problem worse. You're paying a really high rate of interest which means that your expenses are just going up.

Credit Cards

A credit card allows you to purchase items now and pay for them later. Credit cards are an example of **revolving credit**.

When you get a credit card, it will have a limit, also known as a “line of credit.” Your first credit card may have a limit of \$350 to \$500. Here are some important things to remember about using a credit card:

- Every month you will get a credit card statement listing any purchases you made that month. Read through the purchases and make sure the information is correct.
- You’ll find a due date included on the credit card statement. The due date is the date when your payment must be received by the credit card company. The credit card company does not require you to pay your entire balance at the end of each month. You can pay the minimum monthly payment.

If you only pay part of your balance, the credit card company will charge you interest on the amount that you didn’t pay. This interest expense can add up, and what you purchased can end up costing you twice as much.

- There may be an annual fee for having a credit card.

Revolving Credit

With revolving credit, a bank allows you to continuously borrow money up to a certain credit limit. Every time you buy something on credit, that amount is subtracted from your total credit limit. When you pay off your balance, you can, again, spend up to your credit limit.

Penny Pincher Says!

A few words of caution concerning your credit card:

- You are responsible for purchases made with your credit card. Read your statement very carefully, especially if you need assistance in using your credit card. If you learn that someone has used your card without your permission, call the phone number on the back of the card to report this activity.
- Many credit cards advertise low-interest rates, but they may not make it clear that these rates will go up after the introductory period. To compare credit card deals and to find the best one for you check out: <https://get.com/best-credit-cards/>.
- If you do not pay the minimum payment *on-time* each month you will hurt your credit history. If you pay the amount due in-full before the due date there will be no additional charges (no interest due) and you will improve your personal credit history.

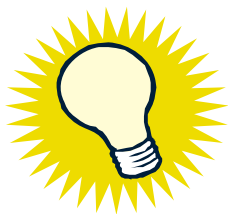


Additional Fast Facts about Credit Cards

- When used correctly, credit cards can help you build a good **credit history**. This will come in handy when applying for jobs, renting an apartment, or buying a car.
- It is very important to make prompt payments. Credit card companies want to know that you are financially responsible. Whether or not you make your payments on time is one of the biggest things they will take into consideration if you want to borrow more money.

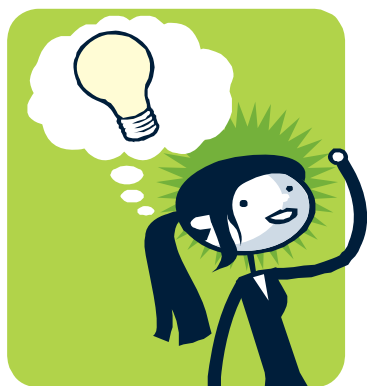
Credit History

Your credit history is a record of how well you have or have not managed your credit card and loan payments. It’s important to make credit card and loan payments on time so that you can maintain a positive history.



REMEMBER

- For another example of a credit card statement, go to <http://www.mycreditunion.gov/Pages/pocket-cents-understanding-credit-card-statement.aspx>.
- To read more about how to get the most from your credit card, go to www.federalreserve.gov/consumerinfo/fivetips-creditcard.htm.



Penny Pincher Says!

Your goal should be to pay your credit card balance in-full each month. If you are carrying a balance on your card from one month to the next, you are probably spending too much money.

- Try to get a credit card with no annual fee and a low interest rate.
- If you find that you can't pay the entire balance of your credit card bill for several months in a row, then you are spending too much money.

SAMPLE MONTHLY CREDIT CARD STATEMENT

ABC Bank Credit Card Account Statement
Account Number XXXX XXXX XXXX XXXX
February 21, 20XX to March 22, 20XX

Summary of Account Activity

1

Previous Balance\$535.07

Payments-\$450.00

Other Credits\$0.00

Purchases+\$517.12

Balance Transfers+\$785.00

Cash Advances+\$318.00

Past Due Amount+\$0.00

Fees Charged+\$69.00

Interest Charged+\$11.36

2

New Balance\$1,786.00

Credit Limit\$2,000.00

Available Credit\$214.00

Statement closing date3/22/XX

Days in billing cycle30

QUESTIONS?

Call Customer Service1-800-XXX-XXXX

Lost or Stolen Credit Card1-800-XXX-XXXX

Payment Information

2

New Balance\$1,786.00

Minimum Payment Due\$53.00

Payment Due Date4/20/XX

3

Late Payment Warning: If we do not receive your minimum payment by the date listed above, you may have to pay a \$35 late fee and your APRs may be increased up to the Penalty APR of 28.99%.

4

Minimum Payment Warning: If you make only the minimum payment each period, you will pay more in interest and take you longer to pay off your balance. For example:

If you make no additional charges using this card and each month you pay...	You will pay off the balance shown on this statement in about...	And you will end up paying an estimated total of
Only the minimum payment	8 years	\$2,785
\$62	3 years	\$2,232 (Savings=\$553)

If you would like information about credit counseling services, call 1-800-XXX-XXX.

1 Summary of account activity

A summary of the transactions on your account—your payments, credits, purchases, balance transfers, cash advances, fees, interest charges, and amounts past due. It will also show your new balance, available credit (your credit limit minus the amount you owe), and the last day of the billing period (payments or charges after this day will show up on your next bill).

2 Payment information

Your total new balance, the minimum payment amount (the least amount you should pay), and the date your payment is due. A payment generally is considered on time if received by 5 p.m. on the day it is due. If mailed payments are not accepted on a due date (for example, if the due date is on a weekend or holiday), the payment is considered on time if it arrives by 5 p.m. on the next business day. Example: If your bill is due on July 4th and the credit card company does not receive mail that day, your payment will be on time if it arrives by mail by 5 p.m. on July 5th.

3 Late payment warning

This section states any additional fees and the higher interest rate that may be charged if your payment is late.

4 Minimum payment warning

An estimate of how long it can take to pay off your credit card balance if you make only the minimum payment each month, and an estimate of how much you likely will pay, including interest, in order to pay off your bill in three years (assuming you have no additional charges).

Prepaid Cards

Reloadable prepaid cards work like debit cards (see page 36). You choose the dollar amount to put on the card, and as you spend, your purchases are deducted from the total balance. When the balance gets low, you can reload with more money. Prepaid cards can be used almost anywhere, whether it's to buy groceries at the supermarket, buy coffee at Starbucks, or even make online purchases.

These cards, like everything else, have upsides and downsides.

The Upsides	The Downsides
<ul style="list-style-type: none">• Prepaid cards are useful for people who don't have a bank account.• There is no approval process.• You can't get into debt using a prepaid card.• A prepaid card could help you budget your expenses.	<ul style="list-style-type: none">• You don't build a credit history using a prepaid card.• Some prepaid cards have activation and reloading fees.• If the card is not a well-known brand, it may not be accepted everywhere.• A store card can only be used at that particular store. For example, a Target card can only be used at a Target store.

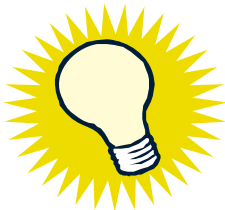


Credit Reporting and Credit Bureaus

Credit reporting is a system lenders use to decide whether or not to give you credit, or a loan, and how much interest they will charge you.

Your credit report is a record of how much you owe and how well you pay it back. A credit report will also include information such as where you live, whether you've ever declared bankruptcy, or whether you've ever been referred to a collection agency. Negative credit history usually goes back only seven years; however, a bankruptcy will remain on your report for ten years from the date of discharge. The good news is that positive credit can remain on your report forever. Having more good information helps strengthen your credit history and increases your credit score.

Credit reports are available from three different credit bureaus (Equifax, Experian and TransUnion) that get their information from many different sources. See the end of the chapter for information about how to contact these three credit bureaus.

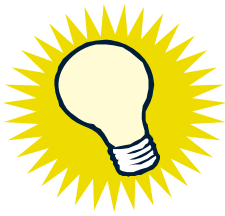


REMEMBER

See the end of the chapter for information about how to contact the three different credit bureaus (Equifax, Experian and TransUnion).

Credit Scores

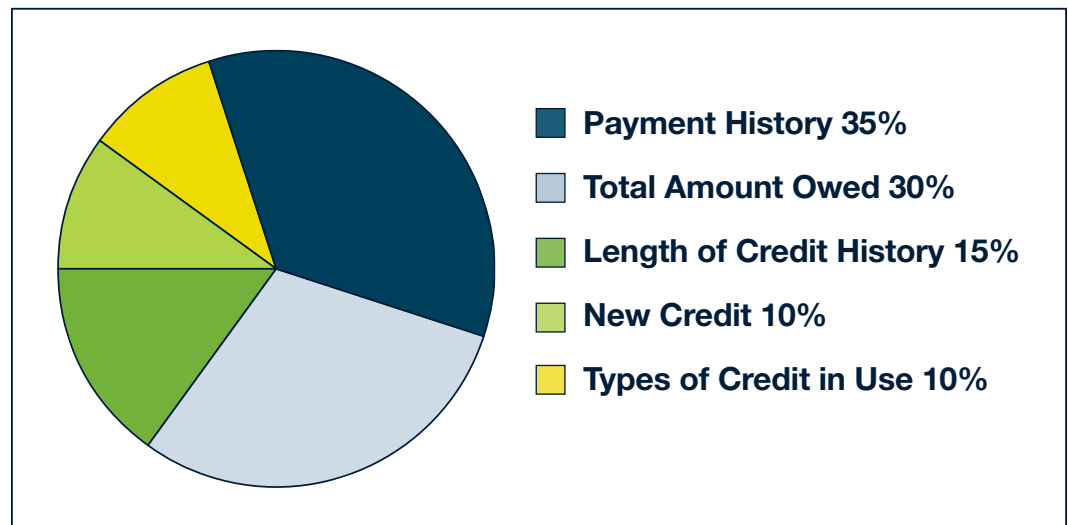
Based on the information in your credit report, lenders calculate your FICO (stands for Fair, Isaac and Company) credit score. The score is an indicator of your ability to repay a loan on time. The scores usually range from 300 to 850. A higher score is better; it means the risk of lending you money is less than if you have a low score. It's also possible for someone not to have a credit score. This usually means that someone doesn't have enough of a credit history to receive a score.



REMEMBER

It's possible to place a security freeze on your credit report which will stop a credit bureau from releasing any information without your permission to any new loan, employment or credit application. There are fees for placing and lifting a freeze. For more information, go to <http://www.experian.com/consumer/help/states/pa.html>.

Your FICO score is made up of the following:



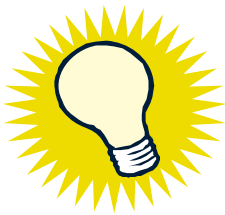
Why Is Your FICO Credit Score Important?

- ***Your credit score will determine if you qualify for credit.***

Your credit score will determine if you qualify for credit. Need to buy an adapted vehicle? The lender will check your credit score. In fact, some employers, with written permission, will check credit scores when hiring to help determine who will make a good employee.

- ***Your credit score also determines how much it will cost you to borrow money.***

People with higher credit scores are assumed to be less of a risk and therefore typically receive lower interest rates. Those with lower scores are viewed as more of a risk, so the bank will guard against that risk by lending money at a higher interest rate. And when you're talking about larger loans, such as buying a vehicle or a home, just one extra interest rate point could add up to thousands, or tens of thousands, of dollars in interest.



REMEMBER

Your FICO score does not come with your credit report. You may have to pay a fee to receive your score.

Improving Your Credit Score

- ***What happens if you have made some financial mistakes in the past and your credit score is low?***

Don't worry. The good news is that your credit score is constantly updated, so every month, as you begin to make improvements to your credit history, your score will improve. But keep in mind that negative items on your report will stay there for seven years or more, so it will take some time for serious financial mistakes to disappear completely.

- ***Remember, if you make payments on time, you'll slowly start to raise your credit score.***

You can also improve your score if you reduce your total debt. As you can see in the pie chart at the left, the second largest part of your score is how much debt you have, so if you can lower your overall debt you'll also begin to make some serious headway with improving your credit score.

You are entitled to one free credit report from each of the three major credit bureaus (Equifax, Experian, TransUnion) every twelve months. It's always a good idea to review your credit report and make sure what is being reported is correct!

For your information: Your FICO score does not come with your credit report. You may have to pay a fee to receive your score.

Activity #15: Get and Understand Your Credit Report

Request a copy of your credit report by:

- Going online, www.annualcreditreport.com, and ordering a report; or, by calling 877-322-8228 (toll-free)
- You can also check out some of the new companies for information and a free credit score that you can track over time. Credit Karma, <https://www.creditkarma.com>, works with TransUnion; and, Credit Sesame, <http://www.creditsesame.com>, works with Experian.

What Should You Do If You Find a Mistake on Your Credit Report?

If you find a mistake on your credit report, contact the credit-reporting bureau that is reporting it and give them details and copies of all supporting documents. They will tell you what documents are needed. Follow-up with the credit agency if you do not receive a satisfactory response within thirty days from the date your letter was mailed. It is also a good idea to contact the other credit reporting bureaus, too.

The three major national credit bureaus are:

- Equifax, 1-800-685-1111 or www.equifax.com
- Experian, 1-888-397-3742 or www.experian.com
- TransUnion, 1-800-916-8800 or www.transunion.com

Your Follow-up:

- | | | |
|---|------------------------------|-----------------------------|
| • Did you get a copy of your credit report? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| • Was all of the information correct? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| • Did you receive your credit score? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |



Penny Pincher Says!

- A good strategy for tracking your credit is to request one credit report every four months from a different credit bureau. If you do this, you can check your credit 3 times per year.
- People who are blind or have low vision may request their free annual credit reports in Braille, large print or audio format.

Assistive Technology

Chapter Seven

Activity in This Chapter

➡ *Activity #16 Fund the Assistive Technology You Need*

What Is Assistive Technology (AT) and Why Are These Devices and Services So Important?

Assistive technology (AT) devices and services are items that help people with disabilities be more independent and live life the way they want to live it. The federal definition is more formal and states, “Assistive technology includes any item, piece of equipment or product system, whether acquired commercially off the shelf, modified, or customized, that is used to increase, maintain, or improve the functional capabilities of individuals

with disabilities. An AT service directly assists an individual with a disability in the selection, acquisition, or use of an assistive technology device.” Public Law 100 – 407.

Examples of AT are:

- An adapted vehicle with a ramp, lowered floor and hand controls that makes it possible for a person who uses a wheelchair to get out into the community, visit friends, or go to work.
- A computer or iPad that helps a person who has a learning disability do well in school.
- A hearing aid that helps make it possible for a person who has a hearing loss to communicate with friends.

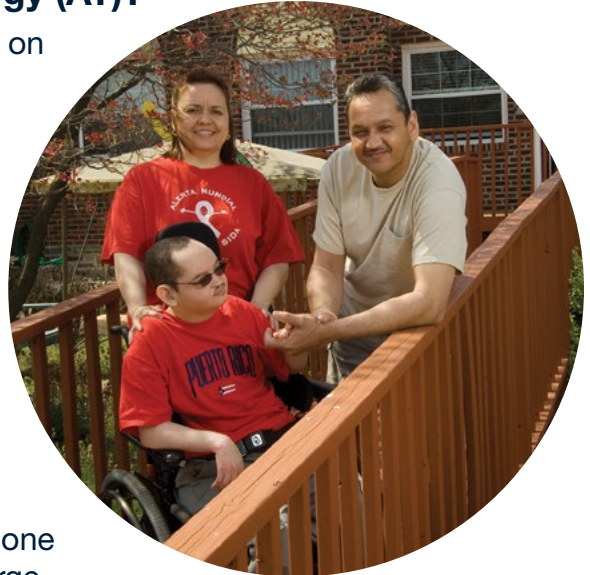
For these brothers, an all-terrain vehicle makes it possible to get around the farm.



How Can You Find Out About Assistive Technology (AT)?

There is a statewide program called Pennsylvania's Initiative on Assistive Technology (PIAT) that works with other agencies across the state. These agencies can help you find the AT device(s) that will work best for you. These agencies also:

- Provide equipment demonstrations so you can learn about specific devices.
- Operate an equipment lending library where you can borrow AT devices, at no cost to you.
- Tell you about equipment recycling or reuse programs where you may be able to locate pre-owned devices.
- Administer the Telecommunications Device Distribution Program (TDDP). This program provides free phones to qualified individuals who need special features to get phone service, including extra-loud speakers, video phones, large print keys, and voice-activated phones.



**Assistive technology
helps Joel get out
into the community.**

For more information, go to <http://disabilities.temple.edu/tech> or call 215-204-1356.

How Can You Get the AT You Need?

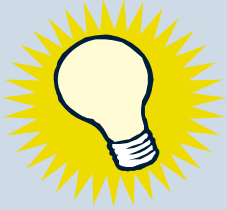
It can be a very confusing and difficult task figuring out who can help you pay for the assistive technology you need. Sometimes the cost is covered through your health insurance policy, or by a governmental agency, or by a non-profit organization. Other times, you may have to pay, in part or in full, for the device yourself.

Your ability to receive grant money from a funding source may depend on a number of factors, including your type of disability, your age, when you acquired your disability, your income, where you live, the type of insurance you have, the AT device you need and the threshold guidelines of a particular program.

Here are some examples:

- Health insurance (including Medical Assistance and Medicare) pays for Durable Medical Equipment (DME). Examples include hospital beds, wheelchairs, scooters, walkers, and Hoyer lifts.
- The Commonwealth of Pennsylvania has developed Home and Community-Based Waiver Programs, called "Waivers" for short, that include services that may pay for home modifications (accessibility modifications) such as ramps, stair glides, roll-in showers; vehicle adaptations, such as ramps, lowered floors, tie-downs and hand controls; environmental controls, such as switches for lights and automatic door openers; and, software and applications for computers and tablet technology.
- Schools will pay for adapted equipment if it's necessary for the education of a student with a disability. To be eligible for payment, the equipment must be included in the student's Individual Education Program (IEP).
- The Commonwealth's Office of Vocational Rehabilitation (OVR) may pay for AT devices that help a person with a disability get or keep a job.

- The Department of Veterans Affairs (VA) provides benefits, including hearing aids and home modifications, to veterans.
- Some non-profit organizations, including United Cerebral Palsy Association or the Multiple Sclerosis Society, may have small grant programs for people who have the type of disability their organization supports.



REMEMBER

To find out if you are eligible for one of the Waivers, go to <http://www.dhs.state.pa.us/foradults/healthcaremedicalassistance/supportserviceswaivers/index.htm> or contact the Pennsylvania Health Law Project for additional information. Their contact information is www.phlp.org or 800-274-3258.

Important Definitions That You Should Know

Durable Medical Equipment (DME) is a medical term. A device may be considered DME and be a covered item by an insurance policy if:

- It is reasonable and necessary for the individual patient,
- It can withstand repeated use,
- It is primarily used to serve a medical purpose,
- It is not helpful to a person who does not have a disability, an illness or injury, and
- It is appropriate for use in the home.

Medical Assistance (also called Medicaid) is a health insurance program for eligible persons who are low-income. People who receive Supplemental Security Income (SSI) can usually get Medical Assistance automatically. If you have questions, contact your local county assistance office at <http://www.dhs.state.pa.us/findfacilsandlocs/countyassistanceofficecontactinformation/index.htm>.

Medicare is a federal health insurance program for individuals 65 and older that pays for a variety of healthcare expenses. If you are younger than 65 and have a permanent disability or a medical condition, you may also be eligible for Medicare benefits.

Most U.S. citizens and permanent residents earn the right to enroll in Medicare by working and paying their taxes for a minimum required period. However, even if you haven't worked long enough to be entitled to Medicare benefits, you may still be eligible to enroll, but you might have to pay more. For more information, visit <http://www.ssa.gov/medicare> or call Social Security at 800-772-1213.

Home and Community-Based Waivers: The federal government sends money to the states to provide services to people with disabilities who live in nursing homes and institutions. However, in 1981, Congress created a new law that also allows funding to go to programs that support people in the home and community—thereby waiving the old requirement of only funding institutions. These new programs have been given the nickname of “Waivers.” Pennsylvania has almost a dozen Waiver programs. Eligibility differs from program to program, based on such factors as disability diagnosis, age of onset of the disability, age, and service needs.

To be eligible for Waiver services there are two requirements:

- **Functional eligibility:** A person must need care in a facility like a nursing home or a group home.
- **Financial eligibility:** Individuals must have a countable income below \$2,094/month (2012) (for an individual) and countable resources (“assets”) below \$8,000 (includes savings accounts, stocks and bonds).

Funding Your AT

Pennsylvania Assistive Technology Foundation

If you're unsure of your funding options, or learn you're not eligible for any government funding, or you just want to pay for the device(s) yourself without any hassle, try the Pennsylvania Assistive Technology Foundation (PATF). PATF is a statewide, non-profit organization that provides low-interest loans to buy AT devices. PATF staff also provides information about other possible funding resources so that your loan is as small as possible. Many PATF borrowers would not qualify for loans from traditional banks or credit unions. PATF serves Pennsylvanians of all ages, income levels and disability diagnosis or health conditions.

PATF has two loan programs:

- A mini-loan program for loans from \$100 to \$1,500 at 0% interest (\$20/month minimum repayment).
- A low-interest loan program (currently 3.75%) for loans between \$1,500 to \$60,000 with extended repayment terms. If you have poor credit, but are able to repay a loan, PATF may be able to **guarantee** your loan for up to \$25,000.

There is no other program like PATF in Pennsylvania! For more information, call 888-744-1938; or go to the website, www.patf.us.

Additional Funding Resources

Non-Profit and Disability-Specific Organizations

Local organizations, such as United Cerebral Palsy affiliates, Muscular Dystrophy Association, ALS, Multiple Sclerosis Society, Lions Club and others, may have small grant programs to support the needs of people with disabilities. Eligibility criteria and available funding may change from time to time, so you should contact these organizations for updated grant guidelines.

Pennsylvania Department of Human Services (DHS)

DHS is the state agency in Pennsylvania that oversees community services for people with disabilities. Two of the offices, the Office of Long Term Living and the Office of Developmental Programs, administer the Waiver programs for people with physical or intellectual disabilities, people who have traumatic brain injuries, and people with autism. A wide variety of services are included in the Waiver programs that can support independent living for people with disabilities. Assistive technology, including accessibility adaptation, vehicle adaptations, and durable medical equipment are services that are included in the Waivers. You may apply for benefits online at www.compass.state.pa.us or by contacting DHS at 800-692-7462.



Penny Pincher Says!

Taking out a mini-loan is a great way to build credit! Every month, PATF reports repayments to the credit reporting agencies so that your FICO scores will increase when you pay your loan on time.

Guarantee

A guarantee is a promise or assurance (typically in writing) to assume responsibility for something. A loan guarantee is a promise by someone to assume the debt obligation of a borrower if he does not repay his loan.

Pennsylvania Housing Finance Agency (PHFA)

PHFA has a number of programs and resources that help people with disabilities find and finance accessible housing. These include: the Apartment Locator (<http://www.pahousingsearch.com>), home modification resources, the Renovate & Repair Program, First-Time Homebuyers Program, and the Prepared Renters Program. Check out the website at www.phfa.org or contact the office at 717-780-3800.

Pennsylvania Office of Vocational Rehabilitation (OVR)

OVR provides vocational rehabilitation services to help people with disabilities prepare for, obtain, or maintain employment. Assistive Technology is an eligible service. The website is http://www.portal.state.pa.us/portal/server.pt/community/vocational_rehabilitation/10356.



Richard is more independent in his accessible bathroom.

Advocacy Organizations

Client Assistance Program (CAP)

Pennsylvania CAP is a statewide advocacy organization whose staff will provide free assistance to people with disabilities who are seeking or receiving services from the Office of Vocational Rehabilitation (OVR), Blindness and Visual Services (BBVS), and Centers for Independent Living (CILs). For more information, call 888-745-2357 (toll free) or email admin@equalemployment.org.

Disability Rights Network of Pennsylvania (DRN)

DRN is a statewide, non-profit organization that can help you access Waiver services, including assistive technology. DRN's mission is to advance, protect and advocate for the human, civil, and legal rights of Pennsylvanians with disabilities. For more information contact the office at 800-692-7443 (voice), 877-375-7139 (TTY), or email intake@drnpa.org.

Pennsylvania Health Law Project (PHLP)

PHLP provides free legal services to consumers with lower incomes, seniors, and persons with disabilities who have difficulty accessing publicly-funded healthcare coverage or services (including home and community-based Waiver services). Contact the office at 800-274-3258 or email staff@phlp.org.

Activity #16: Fund the Assistive Technology You Need

What are the devices or services you need and possible funding resources?

Device

Possible Funding Source

1. _____
2. _____
3. _____

Laura enjoys rowing on the Schuylkill.



Tom uses his hand controls to drive to his volunteer jobs.



Kelvin is able to scan and read his own mail.



Are You Ready To Go?

Chapter Eight

You're Almost There, One Last Step...

A big part of being more financially independent is having a personal financial file. This file should contain anything you might need to be established as an adult, allowing you to open a bank account, to build credit, and to help you get the services you need to live independently. You will need to create a system that works for you. Here are some suggestions:

Your Road to Financial Independence

- ☐ Investigate your eligibility for Supplemental Security Income (SSI) www.ssa.gov/ssi/.
- ☐ Explore your eligibility for Home and Community-Based Waiver Services ("Waivers"):
 - <http://www.dhs.state.pa.us/fordisabilityservices/alternativeto nursinghomes/index.htm> or
 - <http://www.dhs.state.pa.us/dhsorganization/officeofdevelopmental programs/index.htm>.
- ☐ Have a copy of your Social Security card.
- ☐ Obtain a driver's license or a non-driver's identification card.
- ☐ Establish a relationship with a bank or credit union (obtain a debit card).
- ☐ Register to vote (age 18).
- ☐ Register for Selective Service (if male) <https://www.sss.gov/Home/registration>.
- ☐ Gather healthcare and community services information onto a USB flash drive and keep it with you. Be sure to include:
 - Personal identification information,
 - Health insurance policy number,
 - Doctors' and specialists' contact information,
 - Prescriptions,
 - Durable Medical Equipment (DME) vendor contact information, and
 - Service coordinator/case manager/supports broker contact information.

Are You Ready to Start Managing Your Money?

By reading this booklet and completing the activities, you've learned a lot about your finances and how to manage your financial future.

Put a check mark next to each activity you have completed:

- ___ Activity #1: What I Need and What I Want (p. 3)
- ___ Activity #2: My Money Habits (p. 3)
- ___ Activity #3: Smart Money Habits (p. 4)
- ___ Activity #4: Calculate Your Monthly Income (p. 8)
- ___ Activity #5: Track Expenses: Keep Cash Receipts (p. 9)
- ___ Activity #6: Organize Your Cash Expenses (p. 10)
- ___ Activity #7: Organize Your Recurring Monthly Expenses (p. 11)
- ___ Activity #8: Organize Your Credit Card Charges (p. 12)
- ___ Activity #9: Bring It All Together! (p. 13)
- ___ Activity #10: Comparison Shopping (p. 18)
- ___ Activity #11: Complete Your Personal Money Map (p. 22)
- ___ Activity #12: What Am I Saving For? (p. 26)
- ___ Activity #13: What Will I Do to Save? (p. 27)
- ___ Activity #14: Protect Yourself from Identity Theft (p. 39)
- ___ Activity #15: Get and Understand Your Credit Report (p. 47)
- ___ Activity #16: Fund the Assistive Technology You Need (p. 53)

If you checked all 16 activities, congratulations! It was a lot of work, but now you are taking control of your money and your future!



Penny Pincher Says!

Keep this booklet handy so you can keep managing your money and your future.



Lauren uses her iPad to manage her money.

Additional Resources

Additional Resources

In doing the research for this booklet, we discovered a number of resources that you may find useful. This list is by no means exhaustive. We have included a few websites that have games. We think games are fun to play and can help reinforce some of the concepts that are included in this booklet. We have also included a number of websites that contain links to other valuable resources. Please let us know if you find additional resources not on this list that we should include in our next version of this booklet.

Budgets Are Sexy: Where Financial Nerds Are Cool

Budgets Are \$exy is a personal finance blog that won't put you to sleep. The blogger, J. Money, started writing five years ago (when he was in his 20s) and has fun covering such topics as budgeting, good giveaways, a life list, recommended things to spend money on, and other great financial resources. To read and contribute to the blog, visit <http://www.budgetsaresexy.com>.

Consumer Action Handbook: Be a Smarter Consumer

This guide is full of information to help you make better choices when buying products and services. There are tips about preventing identity theft, understanding credit, managing debt, purchasing a car, how to rent an apartment, and so much more. For more information, visit <https://www.usa.gov/handbook>.

Consumer Credit Counseling

If you find yourself in need of help with credit counseling services, which include debt consolidation assistance and budgeting counseling, visit the website of the Pennsylvania Bar Association, <https://www.pabar.org/public/lre/LREConsumers.asp>. You can find a list of approved agencies that provide credit counseling in Pennsylvania, and other related resources.

Consumer Financial Protection Bureau

The Consumer Financial Protection Bureau (CFPB) is a new federal agency that is responsible for regulating consumer protection with regard to financial products and services. CFPB is concerned about such areas as credit discrimination, pay day lending, making sure people understand their right to see credit reports, debit and ATM overdraft coverage, and gift card terms and conditions. For more information, visit their website, <http://www.consumerfinance.gov>.

Jump\$tart Coalition for Personal Financial Literacy

The Jump\$tart Coalition for Personal Financial Literacy is a coalition of organizations that share an interest in advancing financial literacy among students. Jump\$tart's online clearinghouse has a very comprehensive collection of financial education resources, including booklets and pamphlets on specific topics, activities, online games, and teacher lesson plans. For more information, visit <http://jumpstart.org>.

Money Smart—a Financial Education Program

Created by the Federal Deposit Insurance Corporation (FDIC), Money Smart is a comprehensive financial education curriculum that teaches the basics of handling money and finances, including how to budget, save money, and how to avoid making wrong decisions that may result in years of financial pain. The curriculum is available free of charge. For additional information, call toll-free 877-275-3342 or go online to <http://www.fdic.gov/consumers/consumer/moneysmart/index.html>.

MyMoney

MyMoney.gov is the U.S. government's website dedicated to financial education. Resources are available to learn about budgeting, credit building, financial planning, understanding privacy issues, saving and investing. There are links to other government programs that offer financial educational programs, such as Consumer Financial Protection Bureau and the Federal Trade Commission. For more information, visit www.mymoney.gov or call 1-888-MyMoney (696-6639).

National Foundation for Credit Counseling

As the nation's largest financial counseling organization, NFCC provides information about all of the non-profit credit counseling agencies in Pennsylvania. For more information, go to <https://www.nfcc.org>.

Pathways PA

A non-profit organization with offices in Southeastern Pennsylvania, Pathways PA has several programs that are designed to help "women, teens, children and families achieve economic independence and family well-being." Pathways PA has published several booklets on financial education and they, along with their volunteers, offer free tax preparation to filers through the Volunteer Income Tax Assistance (VITA) program. For more information, visit their website www.pathwayspa.org or call 610-543-5022.

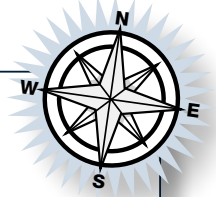
Practical Money Skills for Life

To help people learn about the essentials of personal finance, Visa has partnered with consumer advocates, educators and financial institutions to develop the Practical Money Skills programs. You can access free educational resources, including personal finance articles, lesson plans, and games (including the popular Financial Football and Soccer games) from their website, www.practicalmoneyskills.com.

Your Money's Best Friend

A website just for Pennsylvanians, Your Money's Best Friend, includes resources that can help you learn about financial issues and connect with state and local services that may be able to help you make the most of your money. There are links to games, articles about different financial topics, webinars and lesson plans for teachers. For more information, visit <http://www.moneysbestfriend.com>.

Please use “My Personal Statement of Income and Spending” and the “My Personal Money Map” worksheets that follow.



My Personal Statement of Income and Spending for the Month of _____

Step 1: My Needs

Description	Amount
1. _____	\$ _____
2. _____	\$ _____
3. _____	\$ _____
4. _____	\$ _____
5. _____	\$ _____
6. _____	\$ _____
7. _____	\$ _____

Step 2: My Total Needs \$ _____

Step 3: My Wants

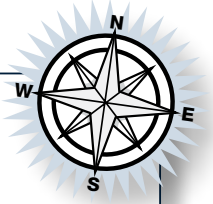
Description	Amount
1. _____	\$ _____
2. _____	\$ _____
3. _____	\$ _____
4. _____	\$ _____
5. _____	\$ _____
6. _____	\$ _____

Step 4: My Total Wants \$ _____

Step 5: My Expenses (Total Needs + Total Wants) \$ _____

Step 6: My Total Monthly Income \$ _____

Step 7: My Cash Flow (Income – Expenses) \$ _____



My Personal Money Map

Month: _____

My Needs Descriptions	Planned Spending	Actual Spending
1. _____	\$ _____	\$ _____
2. _____	\$ _____	\$ _____
3. _____	\$ _____	\$ _____
4. _____	\$ _____	\$ _____
5. _____	\$ _____	\$ _____
6. _____	\$ _____	\$ _____
7. _____	\$ _____	\$ _____
8. _____	\$ _____	\$ _____
My Total Needs	\$ _____	\$ _____
My Wants Descriptions	Planned Spending	Actual Spending
1. _____	\$ _____	\$ _____
2. _____	\$ _____	\$ _____
3. _____	\$ _____	\$ _____
4. _____	\$ _____	\$ _____
5. _____	\$ _____	\$ _____
6. _____	\$ _____	\$ _____
My Total Wants	\$ _____	\$ _____
My Expenses (Total Needs + Total Wants)	\$ _____	\$ _____
My Total Monthly Income	\$ _____	\$ _____
My Cash Flow (Income – Expenses)	\$ _____	\$ _____

Glossary

A Annual Fee: A yearly payment charged by many credit card companies for use of their card.

Asset: Something you own that has value. An example of an asset is a house, vehicle, or savings account.

Assistive Technology (AT): A device that helps a person who has a disability do the things he or she wants to do. Examples of AT devices include an adapted vehicle, a ramp into a home, an iPad, hearing aids, and a wheelchair or scooter.

The federal definition of an assistive technology (AT) device is “any item, piece of equipment, or product system, whether acquired commercially, modified, or customized, that is used to increase, maintain, or improve functional capabilities of individuals with disabilities.” [29 U.S.C. Sec 202(2)]

An assistive technology service is defined as any service that directly assists an individual with a disability in the selection, acquisition, or use of an assistive technology device. The term also includes designing, fitting, customizing, adapting, maintaining, repairing, or replacing AT devices.

ATM: ATM stands for Automated Teller Machine. This is a machine that allows you to take money out of or put money into your checking or savings account without having to go directly to your bank or credit union. You can also check your account balances at an ATM.

Authorize: To give your permission.

B Balance: Balance means “amount.” It can refer to the amount of money you have in your checking or savings account; or, the amount that is owed on a credit card or another type of loan.

Balance Carried Forward: Used at the start of a month to show how much money is in your account. When balance forward is used on a bill, it shows either the amount your account is charged or credited from a previous billing cycle.

Bank: A for-profit financial institution that provides financial services to its customers. These services include such things as checking and savings accounts, access to loan products, debit cards, online banking and financial education. You should look for a bank that is insured by the Federal Deposit Insurance Corporation (FDIC).

Benefits: Many people need help paying for food, housing, utilities, medical care and other basic items. The state and federal government have developed programs that can help pay for these things. These programs are called government benefits.

C **Cash:** Cash is the currency (paper bills) and coins you have on hand. You use cash to pay for something immediately.

Cash Flow: The difference between your income and your expenses.

Checking Account: A service, offered by a bank or credit union, which allows you to put your cash in a safe place and then use it whenever you need it. You get your money from your checking account by writing checks, or using your ATM or debit card.

Countable Resources: Certain assets are not counted when the Social Security Administration determines financial eligibility for SSI, or when Pennsylvania determines financial eligibility for Medical Assistance. For a complete list of assets that are not counted, go to <https://secure.ssa.gov/apps10/poms.nsf/lnx/0501110210>.

Credit: Money that you can borrow with the promise to repay it at a later date. If you pay with cash, you pay immediately. If you use credit, you agree to pay in the future.

Credit Bureau: A company that compiles information reported by your creditors and provides information on a person's borrowing and repayment habits.

Credit Card: A plastic card issued by a bank or business that allows you to purchase items now and pay for them later.

Credit History: A record of how you have managed your credit and debts in the past. It includes information on borrowing and repayment of credit cards, bank and car loans, mortgages and any other debt owed to someone. An individual's credit history will include open accounts and accounts that have closed. It lists late payments, defaults on loans and bankruptcies.

Credit Limit: The maximum amount of credit (money) that a financial institution will authorize for your use. The credit limit is based on your credit history and income.

Credit Report: A report of your credit history. A credit report is a system lenders use to decide whether or not to give you credit, or a loan, and how much interest they will charge you. Your credit report is a record of how much you owe and how well you pay it back. A credit report will include such information as where you live, your work history, your repayments on loans, whether you've filed and been discharged from a bankruptcy, and if you have any tax liens.

Credit Score: A number that represents the credit-worthiness of a person, or the likelihood that a person will pay back a debt. Often a FICO (Fair, Isaac and Company) score is reported on your credit report. The higher the number, the better your credit score.

Credit Union: A non-profit, community-based financial company that provides its members with checking and savings accounts, loans, financial education, access to debit cards, credit cards and online banking. Many credit unions also provide services and grants that support community development. You should look for a credit union that is insured by the National Credit Union Administration (NCUA).

D Debit Card: A plastic card that is connected to your credit union or bank account. When you use it to buy something in a store, money is taken directly out of your checking or savings account. Debit cards can also be used for the withdrawal of cash. Debit cards work the same way as paying for something with cash.

Debt: Money that you have borrowed and must repay.

Deficit: When there isn't enough money to cover all expenses. For example, if you want something that costs \$20 but you only have \$15, then you have a deficit of \$5.

Deposit: To put money into a checking or savings account. It is the opposite of withdraw.

Due Date: The date on the calendar when your bill must be paid.

E Earned Income: The money you receive from a job.

Expenses: What you spend money on, whether you pay in cash or with a check or charge to a credit card.

F FDIC: Federal Deposit Insurance Fund.

Finances: This is another word for everything that has to do with your money, including your checking and savings accounts, and your income and expenses. It's important to learn how to manage your finances, instead of letting your money manage you.

Food Stamp Program: Now called SNAP (Supplemental Nutrition Assistance Program), this is a government program available to families and individuals who are low-income, to help with the cost of food.

G Gross Earnings: The total amount of your earned income.

I Income: This is the money you have to live on. Your money can come from such sources as earnings from a job, Supplemental Security Income, a pension, and SNAP (food stamps).

Insurance: This is a word meaning protection from loss.

Interest: A fee you pay when you borrow money, such as a loan. When you deposit your money into a bank or credit union savings account, the bank pays interest to you.

L Loan Guarantee: A promise by someone to assume the debt obligation of a borrower if that borrower does not repay his loan.

M Medical Assistance (MA): Also known as Medicaid, is a government program that provides medical insurance for people who are low-income.

Medicare: Medicare is a federal health insurance program for people 65 or older, as well as people under 65 who have a permanent disability or medical condition.

Minimum Monthly Payment: The lowest payment the credit card company, or other lender, will accept toward your balance owed each month.

Money Mapping: Money mapping is a new term for budgeting, and involves understanding your income and tracking your expenses, making short and long-term savings and spending goals, and building good credit.

N NCUSIF: National Credit Union Share Insurance Fund.

Need: Something you must have to survive, like a place to live and enough food to eat.

Net Earnings: The amount you take home, after taxes and other deductions have been taken out of your total (gross) earnings.

P Payroll Deduction: Money that is taken out of your earnings by an employer to pay taxes, health insurance, retirement benefits, and other items.

Phishing: A kind of identity theft where criminals try to get your personal information by pretending to be an honest business.

PIN: A PIN (Personal Identification Number) is the secret code you use to gain access to the money in your accounts. It's best not to share your PIN with other people. If you must, because you need assistance, always ask for a receipt and check your monthly bank statements.

R Rebate: A rebate can be an additional discount when you purchase a product or it can be a partial refund if you have paid too much money for taxes, rent, or a utility, such as electricity, gas, or water.

Receipt: Usually a paper, or an online statement, that lists the items you purchased and the amount you paid for them. A receipt is proof that you paid for an item.

Refund: A repayment of a sum of money, typically to a customer who is not satisfied with something that was purchased. This means that a store promises to give back all or some of the money that was spent if you're not happy with what you bought. To get a refund you usually need to show a receipt.

Revolving Credit: A type of credit that a borrower may use to withdraw funds up to a preapproved amount. The amount of available credit decreases and increases as funds are borrowed and then repaid. The credit may be used repeatedly. The borrower makes payments based only on the amount that is actually used or withdrawn, plus interest. The borrower may repay over time, or in-full.

S Salary: The amount of money an employer agrees to pay an employee.

Savings Account: A secure place to keep your money for future use. Money deposited in a savings account earns interest over time.

Social Security Disability Insurance (SSDI): An earned benefit for people with significant disabilities who are no longer able to work. SSDI is funded through payroll taxes, so the amount you receive is based on how long you've worked and how much you have paid into the system.

Supplemental Security Income (SSI): A federal (unearned) income benefit for adults and children with disabilities, and adults 65+, who have limited income and resources. SSI is funded by general tax dollars and provides a cash benefit that pays for basic living needs.

Surplus: Money left over. If you have \$50 and you spend \$40, you have a surplus of \$10, meaning you have \$10 left. A surplus is the opposite of a deficit.

U Unearned Income: The money you receive that does not come from a job.

User ID: This is a made-up name you choose to use to identify yourself when you are signing in to an account. It's best not to share your username with anyone. If you must share your username because you need assistance, be sure you trust that person.

Utilities: Services such as electricity, gas, water and heating oil.

V Values: Those ideas and beliefs that really matter to each of us.

Veteran Benefits: These are benefits received by a person who has served in the United States military.

W Wages: This is what you earn when your job pays you by the number of hours you work or for each piece of work you complete.

Waivers: Programs funded with a combination of Pennsylvania and federal government dollars that provide supports and services to people with disabilities who live in the community. Services include, for example, assistive technology, accessibility adaptations (home modifications), vehicle adaptations, habilitation, personal assistance services, community integration, and transportation. People who live in a nursing home or in another institution cannot receive Waiver services.

Want: Something you might like to have, but you don't need it to live.

Withdrawal: Money you take out of your bank or credit union account. A withdrawal is the opposite of a deposit (putting money into an account).

Work Incentives: Work Incentives are programs that the Social Security Administration (SSA) offers to people with disabilities who are receiving Supplemental Security Income (SSI) and/or Social Security Disability Insurance (SSDI) to help make it possible for them to explore work while still receiving health care and cash benefits.

As we complete this booklet, we are reminded of how many people and organizations helped us in innumerable ways, for which we are happy to offer our profound thanks. We are not the first to create an educational booklet that addresses the needs of people with disabilities. That honor goes to **Alpha One**, a Center for Independent Living in Maine that developed *Financial Freedom: Borrowing for Assistive Technology*. We drew inspiration from their efforts and have expanded greatly from its coverage—we hope to good effect.

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