

Hispanic Austin Leadership Class of 2018

Finance Team



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Greater Austin Hispanic
Chamber of Commerce

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Executive Summary

The Hispanic Austin Leadership (HAL) Finance Team, **Making Financial Cents**, canvassed the Austin Hispanic community in November 2017. According to research and information acquired from the Community Advancement Network (CAN), 33% of African American and Hispanic children grow up in poverty in Austin, Texas.* MFC is determined to make a difference in the community by increasing financial literacy to decrease the poverty rate.* To get further insight, the MFC sought out opinions of local organizations that work with minority groups who are trying to achieve financial stability in an environment of escalating costs.

The Finance Team met with Austin Independent School District's Parent Support and Engagement Office, Southwest Key Programs, Wells Fargo (retail branches in locations with strong Hispanic demographics), Foundation Communities, Hispanic Scholarship Consortium, and Austin Community College. There was a recurring theme that came up in the meetings with the organizations—mistrust in financial institutions that lead to educational barriers in the community.



Pictured: Felipe, Marieli, Luis, Leonor, Nora, and Crystal

MFC gained more insight on the community's concern with financial institutions by attending English Second Language (ESL) learning classes open to the community called Austin ISD Maestro en Casa.*

In order to accurately assess the depth of the problem, the Team chose the Maestro en Casa classes that had the largest program participation and were located in Austin's Hispanic communities. An initial survey was developed to ask open-ended questions and assess the scope of the Maestro en Casa participants' financial literacy knowledge. Through this process, five financial topics were identified that the community had trouble understanding and/or wanted more resources to learn: Banking, Budget, Credit, College Financing, and Insurance.

The Financial Team hit the ground running and established a partnership with Austin ISD, Austin Community College, and Wells Fargo to create a financial literacy curriculum for community stakeholders that was "By Austin, For Austin." The financial material was carefully selected so it would have current or projected demand for everyone to succeed financially in the local Austin Hispanic community. This cemented the formation of the program name and motto, "Making Financial Cents – Making Sense of Your Financial Future."

*2016 statistics

*<http://canatx.org/dashboard/our-basic-needs-are-met/poverty/>

*Maestro en Casa is an initiative of the AISD Department of Communications and Community Engagement in partnership with the MATT Foundation. Maestro en Casa is a practical and simple English-language learning and life skills program. Basic English lessons will help adult learners navigate common American situations and systems, thus allowing English-language learners to interact at a higher level in their daily activities. Parents will learn English at their local community school. The lessons are supplemented and enhanced with six culturally effective comic book-style workbooks, each covering a different subject— Austin ISD MEC webpage

We developed a series of informative, interactive, and creative workshops to engage participants in basic financing ideas. The sessions provided potential economic growth information, program description, time commitment, cost, and possible funding/scholarships to continue education.

Additionally, participants had the opportunity to meet with current industry professionals and learn the benefits of being financially ready to make big decisions. Lastly, MFC was able to forge partnerships between the Austin ISD so that all community engagement staff can be trained and knowledgeable in financial literacy program, to be able to have the financial workshop at every AISD school.

Schools visited

- Sanchez Elementary School (East Central)
- Travis Early College High School (South Central)
- Dobie Pre-K Center (North East)
- Galindo Elementary School (South)
- Barrington Elementary School (North)
- Widen Elementary School (South East)



Mission Statement

Implement a lesson plan on topics of finance that will establish a concrete financial literacy foundation for English as a Second Language (ESL) adults for the Austin Independent School District's immigrant community. At the end of the lesson, participants will be confident to take charge in financial decisions that affect their daily lives.

Vision

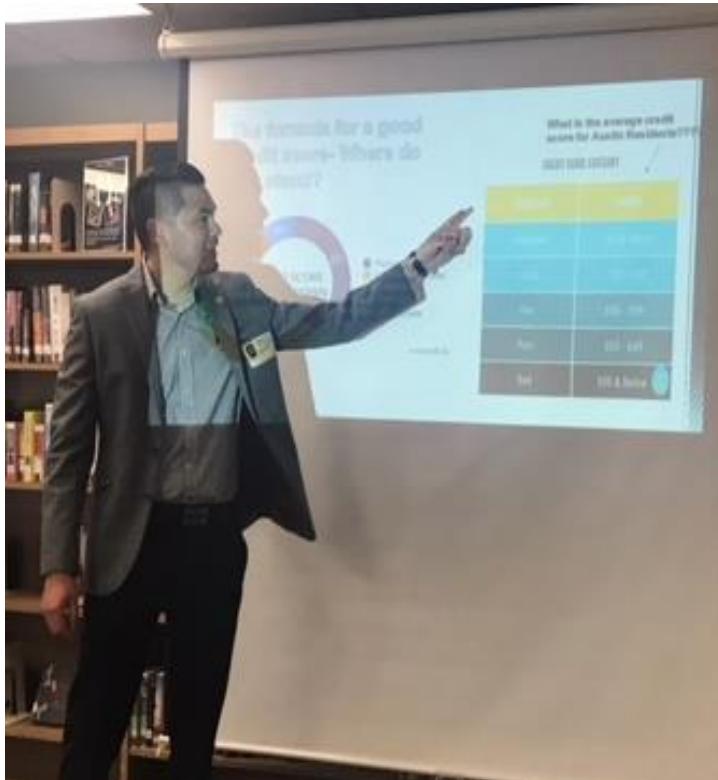
Each course participant will gain confidence and understanding to influence their economic decisions by increasing their financial knowledge through five financial topics:

- Banking
- Budget
- Credit
- College Financing
- Insurance

Project Scope:

- Educate the ESL Community on financial literacy and local finance opportunities by bridging the Maestro en Casa Finanzas lesson plan with the MFC lesson plan
- Inform on continuing education opportunities and ways to offset tuition costs for entire family
- Solicit community feedback on ways to enhance the financial literacy program to ensure the needs of the community are being met or exceeded
- Establish community relationships to offer financial mentorship opportunities during the length of the program.
- Create a format for the MFC workshop where it is instructional, educational and interactive by applying three components:
 1. Utilize an instructor/student friendly presentation that covers the five major categories of concern and educates as to why financial literacy is important.
 2. Lesson Plan/Workbook will have supplemental information, activities, and handouts the Austin ISD Parent Support Specialists can use to engage their students—examples in the workbook will be relatable to Austinites.
 3. An assessment that measures the students' aptitude on the five financial topics along with an exit survey that tells the MFC how well the program is going.

Identifying the Need



Prior to creating the financial literacy course, MFC visited several Maestro en Casa classes. The Team wanted to gauge how large the classes were and how the classes were led. During the Maestro en Casa classes, MFC surveyed the participants.

After the observations, the group sat down with the Parent Support Specialist (PSS) assigned to the school. MFC determined the best time to conduct the program would be during the existing Maestro en Casa classes.

MFC used the survey results to determine where the greatest financial education deficits were: Banking, Budgeting, Credit, College Financing, and Insurance.

Financial Literacy Assessment for “Making Financial Cents” Program

The Financial Literacy Assessment was designed to gather data on specific points of interest regarding financial education. The survey was issued in English and Spanish to 27 participants of the Maestro en Casa program. The survey focused on five major financial topics: Banking, Budget, Credit, College Financing, and Insurance.

The combined results of the assessment are as followed:

- **Banking**
40.7% did not have a bank account. 37% did not know how their bank account worked.
- **Budget**
33.3% did not know what a family budget was, 48.1% did not have a family budget.
- **College Financing**
59.3% knew someone in their household that will be going to college. 70.4% were interested in learning more about financing college.
- **Credit**
77.8 % that they did not understand how credit works. 77.8% did not have credit. 96.3% were interested in learning how credit works in the United States.
- **Insurance**
77.8% they did not know how insurance works. 70.4% did not have any type of insurance. 77.8% were interested in learning about insurance.

Taking Action:

There are several organizations that offer financial education resources in Austin, Texas. For example, in the private (Wells Fargo) and public (Foundation Communities) sectors to name a few, offer in-depth courses and information that guide you through different financial topics. The main strategy of the MFC program was to find existing organizations to partner with. Partnering with an existing program ensures the MFC program's sustainability and makes it easier to connect with a part of the community that is hard to reach. MFC utilized their 25 years of experience in financial services to create the program curriculum. The Financial Team wanted to create a financial literacy lesson plan, materials, and workbook that was relatable to the audience and based on the financial literacy deficits from the surveys.



Part of the effort to make the information relatable to the community was not only providing relatable content but the creative design that would blend together to make "cents." MFC hired a student based graphic design entrepreneurial group from Austin ISD's Eastside Memorial High School. The MFC workbook, "By Austin, for Austin," was created with the local community in mind.



Pictured: The student graphic designers are Anna Cruz, Anthony Guzman, Devin Zavala, and Noelia Rodriguez.

Overall, the Financial Team spent over 20 hours with the Eastside Memorial Graphic Design team to make content ideas into reality. The financial categories chosen were ones that can make an immediate impact in the participants' daily financial decisions. The target was to break any myths the participants had that aided in their mistrust of banking, their access to credit, the effects of insurance, and access to college resources.



MFC created **Banking 101** with an end goal of the participants opening a bank account at their chosen financial institution. Surprisingly, 100 % of the participants surveyed were interested in how bank accounts in the United States work, and many of the participants did not have a bank account. A common reason behind the participants not having a bank account was mistrust in financial institutions. Having two members of MFC working for a bank helped to break through this stigma. The constituents were able to explain why banks tend to ask questions when a banking relationship is established.

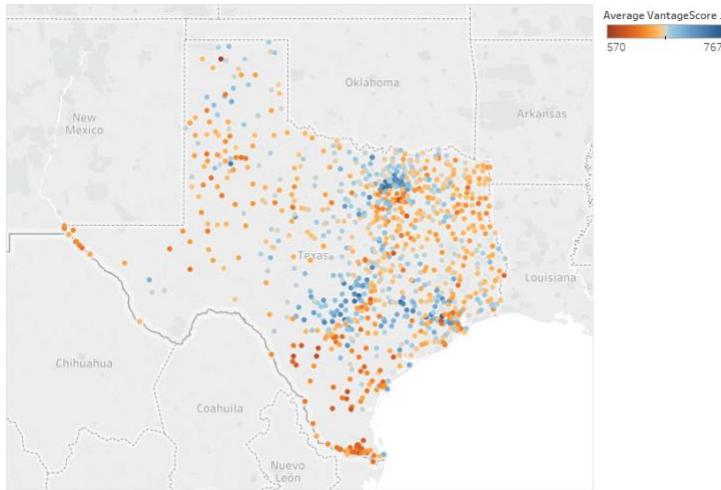
Because of these efforts, the participants were able to understand and identify how banks operate in a regulatory framework. The participants also grasped the concept of having an open relationship with their personal banker and how that can help them gain more access to financial products and financial advice. From there, MFC went into the next two courses—**Credit 101** and **Budgeting 101**.

Credit 101 concentrated on the total cost of credit, obtaining credit, explaining how credit works, and why it is important to track your own credit. The MFC survey showed that 78% did not know how credit works. The participants were able to hear directly from bank representatives, on the factors lenders assess when applying for credit, how to establish credit history, and how a FICO credit score should be monitored. MFC also covered the difference between bank loans and predatory lending, by showing the participants how to read the Reg. Z box

Annual Percentage Rate The cost of your credit at a yearly rate	Finance Charge The dollar amount the credit will cost you	Amount Financed The amount of credit provided to you or on your behalf	Total of Payments The amount you will have paid after you have made all payments as scheduled
A%	\$B	\$C	\$D

“Truth in Lending” or “Reg. Z” box





To shed some light on the relationship between credit scores and the Hispanic community, the Team utilized an assessment completed by “LendEDU.” The assessment compiled the average VantageScore 3.0@1 credit scores for each town and city in Texas.

*Source: Lendedu.com

Budgeting 101 covered several different ways of budgeting. The MFC survey showed that 33% did not know what a budget was and 48% did not have a family budget. It is important to

know where you spend your money. It's also very important to know the differences between needs and wants. The Finance Team created a budget tracker, a bill pay calendar, and offered two creative ways of savings: the envelope method* and the 52-week savings challenge.

College Financing 101 stressed the importance of getting an education past high school. Continuing your education at a trade school, community college, or university impacts your life positively in almost all areas: health, wealth, and earnings over time. There was information and different ways to pay for college and looking for scholarships and grants to fund your education. We made it a point that student loans were the last option, and if needed, how to navigate between all the loan options available.

Insurance 101 addressed the expressed concerns of their participants—how does it work and why is it needed. MFC also emphasized that insurance is part of financial planning. It was crucial for The Finance Team to be creative when outlining concepts, such as the reason insurance is needed (besides mandatory reasons) and the different benefits and limits that are available (and that impact the overall cost). Insurance 101 was divided into three parts: auto, renters/home insurance, and life insurance. MFC wanted to provide the participants with additional public resources and important questions to ask when a policy is purchased.



*Dave Ramsey Envelope Method

Measuring the Impact:

At the conclusion of each workshop, exit surveys were given out that included Likert scale and open-ended questions for individual responses. We were also able to interview participants regarding the MFC program at the Maestro en Casa graduation.



“Tuve mucha información que yo no sabía, mi hija es mi primera generación aquí somos nuevos aquí en este país, este tipo de ayuda es bastante beneficioso para nosotros porque el sistema es completamente diferente para nosotros entonces nos sumergieron un poco en todo los que nos falta adjuntar.” – Alejandra Garza, Maestro en Casa 2018 Graduate

English Translation—It had a lot of information that I did not know about. My daughter is a first generation citizen. Living in this country is still new for us; this kind of help is quite beneficial because the system is completely different than where we came from. We did as much as we could because we had a lot to learn.



“Cuando uno llega a este país no conoce mucho como trabajan algunas cosas, para mí es importante aprender sobre los requisitos para abrir una cuenta, sobre las pólizas de seguro de autos que no solo es mandatorio sino conocer los diferentes beneficios que se pueden obtener para protegernos mejor. Para mí es muy importante informarse de temas en las áreas de banco y seguros para tomar decisiones importantes.” – Iris Pescador, Maestro en Casa 2018 Graduate

English Translation—When you first arrive in this country, you don't know a lot about how things work here. For me, it was important to learn about the requirements in opening an account, learning how car insurance policies are mandatory, and to recognize the different benefits that can be obtained to protect us best. For me, it's very important to learn about the different areas of banking and insurance in order to make important decisions.

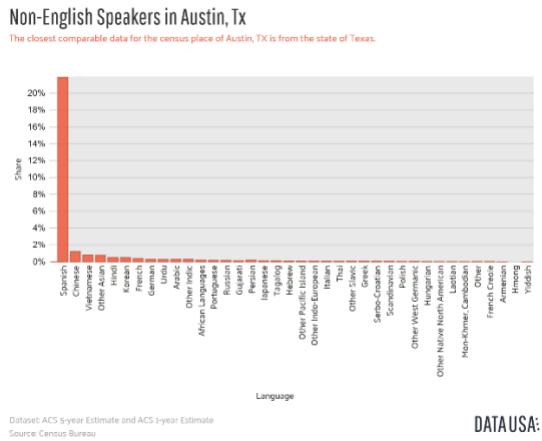


“I was excited about having different activities for the group and the content because they were able to understand piece by piece what you guys presented, we don't usually touch deep on the financial part and college system. By the end of the class I see how participants were very excited about understanding the financial topics, how easy it can be to open a bank account, learning about the coverages available in the insurance policies, what makes the differences on the cost of the policies and also learning about the different resources for college savings and financial aids. I think the program is excellent and I appreciate your support, your time, and professionalism.” – Nora Montes de Flores, Parent School Coordinator for Maestro en Casa

Sustainability

Over the course of nine months, the Hispanic Austin Leadership – Finance Team spent over 120 hours canvassing their community, creating partnerships, fundraising, and making an impact on the lives of Maestro en Casa participants. As part of our long-term sustainability, we have critical partnerships with Austin Independent School District and Wells Fargo. The Making Financial Cents program will be part of a training program for all Parent Support Specialist (PSS) at each school. A MFC toolkit was created that includes the power point presentation, course curriculum lesson plan, program workbook and website for access to more information. Through partnerships with Wells Fargo's volunteer program, Farmers Insurance, and Foundation Communities, PSS staff will be able to access volunteers to come in as subject matter experts to discuss more in depth on each topic. The goal of the Making Financial Cents program is to grow organically within the Maestro en Casa class offerings. (Maestro en Casa is currently in 27 Austin ISD schools)

For the 2018 Maestro en Casa graduation, the Team showcased the entire program, talked about the vision to grow with Austin ISD leadership, and recruited additional schools that provide Maestro en Casa classes for the next year. We were able to recruit an additional four Maestro en Casa classes. There will be a total of eight AISD schools launching the Making Financial Cents program next year. With the addition of those schools and the current schools that re-signed for the program, there will be a total of eight AISD schools launching the Making Financial Cents program next year.



In Austin, Texas there are 269,778 community members that are speakers of a non-English language. This is 21.6percent higher than the national average. In 2015, the most common non-English language spoken in Austin was Spanish—are native Spanish speakers.

We have also been invited to showcase the program and recruit volunteers at the 2018 Latin Connection* Signature Event hosted by Wells Fargo.

*The Latin Connection is a Wells Fargo Team Member Network. The purpose of the Wells Fargo Team Member Networks is to connect their Team Members with their local communities. And gives them the opportunity to give back to the communities in which they are invested.

HAL Finance Team Co-Founders of Making Financial Cents



Luis "Louie" Castillo is a native of Brownsville, Texas, currently residing in Austin. Luis received his Bachelor's of Business Administration from the University of Texas at Brownsville, where he majored in Finance. Luis has an extensive background in financial analysis, credit, credit analysis, and commercial banking. He is currently a Business Relationship Manager for Wells Fargo, where he utilizes his finance and credit experience to help commercial businesses succeed financially. Luis also serves as the Historian of the Wells Fargo Latin Connection. *Luis contributed to the success of the Making Financial Cents program by providing extensive credit tips and budgeting education.*



Marieli Cestari is a native of Venezuela, currently residing in Austin. Marieli graduated from Yacambu University, where she studied Industrial Engineering. She also completed the Minority Business Executive program offered by the Foster School of Business at Washington University. Marieli is currently an entrepreneur, leading her own insurance business, Cestari Insurance. One of Marieli's passions is to helping her community. She is a member of several local non-profits in Austin. *Marieli contributed to the success of the Making Financial Cents program by providing insight into the insurance world.*



Crystal Hone is a native of El Paso, Texas. Crystal relocated to Wichita Falls, Texas where she studied Finance and Economics at Midwestern State University. Crystal received her Bachelors of Business Administration in 2013 and her Masters of Business Administration in 2015. Crystal is currently a Branch Manager at Wells Fargo Bank. Crystal began her career with Wells Fargo in 2010 as teller. She has held several other positions such as personal banker and service manager. Crystal also serves as the Co-Chair of the Wells Fargo Latin Connection. *Crystal contributed to the success of the Making Financial Cents program by providing insight on how banking works and by utilizing her Wells Fargo team members as volunteers.*



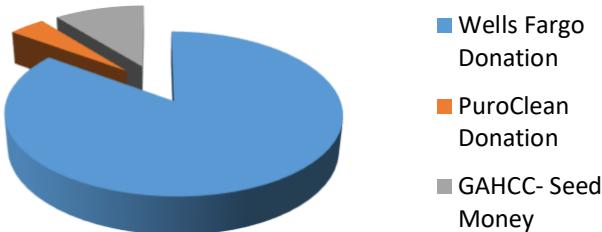
Felipe Gabriel Romero III is a native of Laredo, Texas, currently residing in Austin. Felipe received his Bachelors of Arts from Texas State University, where he majored in Communication Studies. Felipe has over 10 years of experience in communications and community engagement. He currently works for the Austin Independent School District HUB Department, where he helps create contract opportunities for minority businesses. *Felipe contributed to the success of the Making Financial Cents program by gathering resources for parents to use when preparing their children for college. Felipe also played a large part in the partnership between Maestro en Casa and Making Financial Cents.*

Financial Summary

The following operating budget, details the revenues and expenses generated by the MFC pilot program. The MFC budget was developed to be flexible where revenues and expenses are determined by the volume of services The Financial Team generated.

Revenues:

Throughout the program term, revenues were concentrated from the donation made by Wells Fargo. This donation is part of Wells Fargo's corporate social responsibility program that believes in community impact programs that result in material changes in its stakeholders.



The Team used the following letter to reach out for donations:

Program Sponsorship

Objective

We are participants of the Hispanic Austin Leadership (HAL) Program that is part of the Greater Austin Hispanic Chamber of Commerce. The HAL participants are grouped into five different teams that create a community impact project for the Greater Austin area. Our team was asked to assess the opportunity and work with local partners on improving financial literacy in our area. Together, our HAL Finance team brings over 20 years of experience in financial services and program management. Through a partnership with Austin Independent School District, the HAL Finance Team is creating a program to:

- Educate the English Second Language (ESL) community on financial literacy topics in an effort for program participants to gain confidence and take charge in financial decisions that affect their daily lives.
- Inform on continuing education opportunities and ways to offset tuition costs for the entire family.
- Solicit community feedback on ways to enhance the financial program and ensure that the needs of the community are being met or exceeded and,
- Establish community relationships to offer financial mentorship opportunities.

The financial literacy pilot program "Making Financial Cents" is scheduled to start in February 2018 at four Austin ISD schools and will end at the end of April 2018. Our organization's ability to continue to support these program participants is due in large part to the generous support of corporate donors who believe in the importance of financial literacy and the impact it has on our everyday lives. Thank you for considering our request, and hope you join us to support the ESL community who are seeking personal and career opportunities by establishing a better understanding of personal finance principles.

\$ 2,000 - Platinum Sponsor

The HAL Finance Team is seeking the following sponsorship from the Wells Fargo's Community Grant Division. Corporate Social Responsibility is a huge part of your company's vision and values and we hope we can bring economic empowerment to the program participants. We are asking for your company to commit to a 2020 commitment to economic empowerment in the area of increasing access to responsible financial products and services to help underserved consumers enter the financial mainstream, increase savings, improve credit, and build assets.

2-Hour Basic Financing Workshop

Topics

- Budget
- Credit
- College
- Insurance

Program Sponsorship

Background and Purpose

Hispanic Austin Leadership's (HAL) mission is to provide business leaders and professionals the opportunities to develop business acumen, civic awareness, leadership skills and a network of colleagues for life. HAL seeks individuals dedicated to serving our communities. Participants of the program will be given the opportunity to develop an understanding of the opportunities and challenges facing the Greater Austin area. HAL is limited to approximately 30 participants annually. HAL is a highly participatory program that emphasizes leadership, learning, and action. It is to be participatory in nature. In order to get the most out of the program and to fulfill the mission of HAL, it is necessary that participants are actively engaged in the process. HAL participants are dedicated to serving their community and are given the opportunity to develop an understanding of the opportunities and challenges facing the Greater Austin area.

Impact
2016 & 2017 HAL Classes

Generated over 6,000 hours of service and over \$30,000 in revenues

Impacted over 4,000 people in the Greater Austin Area via Community Impact Projects

HAL Community Impact Projects will Impact over 13,000 people & beyond by 2022

Researched over 20,000 Greater Austin residents via press/media interviews & publications

PROGRAM COSTS

- \$480 – Marketing and promotional materials
- \$450 – Hispanic Austin Leadership Graduation Donation (15 Tickets)
- \$430 – Education booklet, supplies, materials, and printing
- \$350 – Light snacks and refreshments for class participants (Feb-April)
- \$290 – Program Contingency Costs ***

* Making Financial Cents will be utilizing activity worksheets from Wells Fargo's Hands on Banking material to supplement the course booklet that will be implemented during program workshops. The Hands on Banking website, will be used to facilitate through the topics related to: Banking Basics, Personal Finance, and Credit.

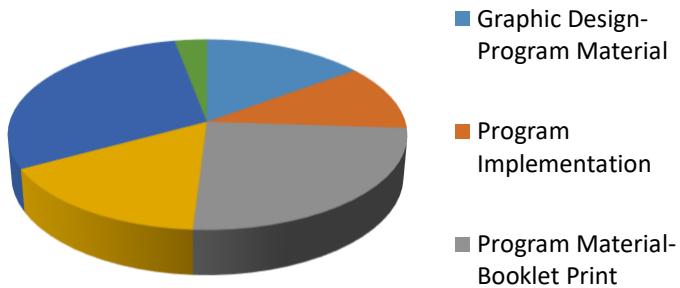
As a PLATINUM SPONSOR, Wells Fargo will have their company name and logo displayed on a vinyl banner, a full sponsor page in the program workbook, and the opportunity to participate in a networking session with the team to attend the Hispanic Austin Leadership Graduation on May 16, 2018 from 5:00 pm – 8:30 pm at the Austin ISD Performing Arts Center.

***Contingency costs can be absorbed as restricted income to be utilized for future Wells Fargo team members who participate in the Hispanic Austin Leadership Program

Sponsor Benefits

Expenses:

The program did not generate any fixed expenses, solely variable expenses. Expenses were concentrated in the implementation of our program. The focal point was to create a workbook that was aligned with the material we were teaching during our PowerPoint presentation. Cost concentrations were in creation/printing of our “Making Financial Cents” Workbook, along with the marketing of our program. Out of the total cost recorded- \$1,409 was attributed to the launch of this pilot program.



After recording revenues and expenses for a term of nine months, the Team had a surplus of \$341. This surplus is to be used as restricted income as a start-up fund for the Wells Fargo team members of the 2019 HAL Class.

Making Financial Cents	
Revenues	
Wells Fargo Donation	\$2,000
PuroClean Donation	\$100
GAHCC- Seed Money	\$250
Total Income	\$2,350
Expenses	
Graphic Design- Program Material	\$300
Program Implementation	\$224
Program Material- Booklet Print	\$501
Marketing/Promotion materials	\$325
Community Invitation-HAL	
Graduation	\$600
Misc- Program Implementation	\$60
Total Expenses	\$2,009
Budget Surplus	\$341

Cost Analysis

What financial stake does it take to operate “Making Financial Cents”?

Information provided by Luis Castillo

The Financial Team wanted to outline the financial impact this program had not only in its pilot year but in the years to come. The pilot serviced four schools and MFC hopes to increase exponentially by four schools a year. The end goal would be to service 130 schools.

Based on The Financial Team’s discussion with the AISD’s Parent Support and Engagement Office, MFC was invited to continue their partnership of with the Maestro en Casa Program. If MFC did not have volunteers, the analysis is based on the cost of funding the program.

Maestro En Casa Program

Year	Schools
Pilot	4
Year 2	8
Year 3	16
Year 4	32
Goal	130

Total MEC schools in AISD



Program Costs: How much does it cost to service One School?

The main expense for MFC would be the wages paid to Financial Representatives that have the experience and financial knowledge to cover the topics in our program. Based on the Team's analysis of salaries paid to Personal Bankers at five financial institutions identified in Glassdoor.com, the average salary for this position is \$36,000. A *salary of \$36,000 equates to a monthly pay of \$3,000, weekly pay of \$692, and an hourly wage of \$17.31*. The cost per our booklet is \$5.75 and equates to a cost per school of \$57.50. Other items include materials/supplies and food/beverages that equate to a cost per school of \$29.90 and \$55.00, respectively. Total projected cost to service one school is \$280.00.

Budget Items	Cost per item	Cost per School ¹
Financial Representative ²	\$17.31	\$138.48
Material/Supplies	\$11.99	\$29.90
MFC Work Book	\$5.75	\$57.50
Food/Beverages	\$5.50	\$55.00
Total	\$40.55	\$280.88

¹School Size= 10 students per school

²Finance Representative average wage in Austin Texas. (See Narrative)

*Each School will require 4 Financial Representatives at minimum

*Each School course period will be one hour per course. Each school is to receive two courses per program period

Projected revenues were kept at 125% of operating expenses to each program year can generate a surplus for future contingent costs.

Total Revenues needed for our Pilot Year was \$1,404. Please note that the Team was able to generate donations i/a/o \$2,350 for the HAL 2018 program.

- Total projected costs for next year is \$2,247 and will service 8 schools.
- Total projected costs for next year is \$4,494 and will service 16 schools.
- Total projected costs for next year is \$8,988 and will service 32 schools.

To service the Making Financial Cent's goal of 130 schools will equate to a cost of \$36,514.

Making Financial Cents Projections

	Year Pilot	Year 2	Year 3	Year 4	Year Goal
Revenue	\$1,404	\$2,809	\$5,618	\$11,235	\$45,643
(-) Projected Costs	\$1,124	\$2,247	\$4,494	\$8,988	\$36,514
Revenue to OP EXP	1.25	1.25	1.25	1.25	1.25
Projected Surplus	\$281	\$562	\$1,124	\$2,247	\$9,129

Acknowledgements

The HAL Finance Team would not have been able to see the success of their financial literacy program without the contributions and support from the Greater Austin Hispanic Chamber of Commerce. We would also like to thank the Austin Independent School District & the Maestro en Casa program for their partnership in piloting Making Financial Cents.

The Team would also like to thank each one of their sponsors:



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Appendix

1st Class

Lesson Plan Title: Banking 101

Concept/Topic to Teach: How a bank works; benefits to the bank customer (participants)

General Goals:

- Participants will be able to choose which bank products are right for them
- Participants will be informed of the bank's requirements for opening a checking account
- Participants will be informed of how credit works and know the importance of a strong FICO

Specific Objectives:

- The difference between a checking and savings account
- How a debit card works
- How credit works

Student Take-a-way:

- List of banks that allow foreigners to open accounts without a social security number or ITIN
- Supplemental worksheets on deposit products
- Supplemental information on building credit and its importance

2nd Class

Lesson Plan Title: Budget 101

Concept/Topic to Teach: Creating a financial plan; living within your means

General Goals:

- Participants will be able to create a budget for themselves and/or their family

Specific Objectives:

- Defining "income"
- Defining "expenses"
- Defining "needs"
- Defining "wants"

Student Take-a-way:

- Sample budget
- Budget template

3rd Class

Lesson Plan Title: College Financing 101

Concept/Topic to Teach: Utilizing government funding and/or scholarships

General Goals:

- Participants will be able to find available scholarships
- Participants will be able to complete a scholarship form
- Participants will be able to complete the FASFA/TASFA

Specific Objectives:

- Defining "scholarship"
- Defining "FASFA/TASFA"

Student Take-a-way:

- List of scholarship resources
- TASFA/FASFA website

4th Class

Lesson Plan Title: Insurance 101

Concept/Topic to Teach: Automobile, Homeowner's, Renter's, and Life Insurance

General Goals:

- Participants will be able to choose which insurance services are the best for them

Specific Objectives:

- Defining “insurance”
- Policy minimums and maximums

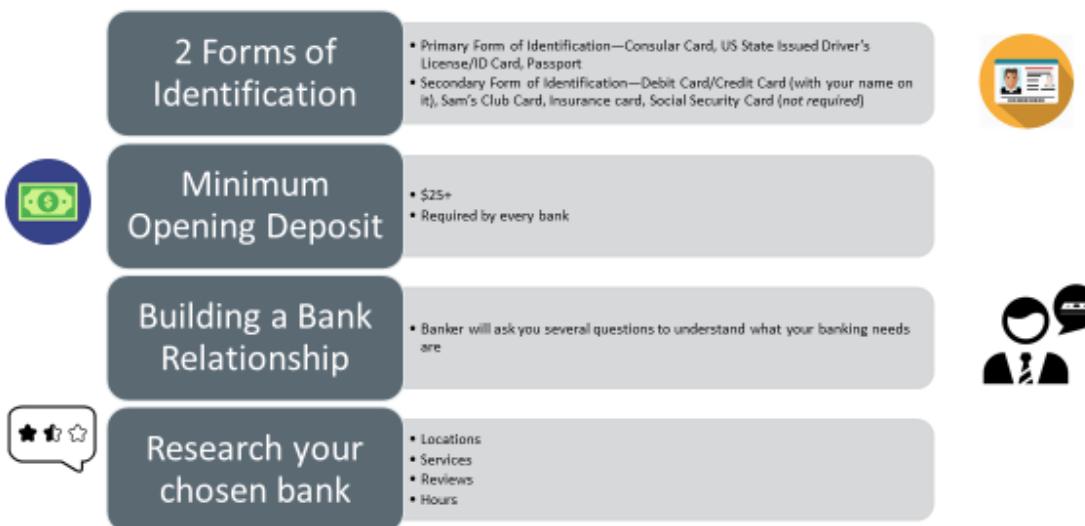
Student Take-a-way:

- Insurance worksheet
- “How to file a Claim” handout
- List of insurance companies who issue insurance to foreigners with no social security number/ITIN



Banking 101

What you need



Building a Banking Relationship

Initial Questions

- Name, Address, Phone Number
- Where you work, how often you are paid, and how much you are paid
- What is important to you, financially
- Your current banking situation

How you will use your account

- How you pay your bills (cash, credit, checks)
- Online Banking
- Why you need an account
- How much you plan on keeping in your account

Future Needs

- Follow-up calls
- Appointments to talk about other financial topics that are important to you
- Bank Partners who can help you



The Foundations Of Credit

What is Credit?

- Borrowed Money, Goods, or Services with the expectation of future payment

Why is Credit important?

- Purchasing Power
- Rent Application



How do I get credit?

- Most consumers establish credit from a secured credit card.
- Once you establish a fair credit score, you can apply for an unsecured card and enjoy lower fees and interest rates, as well as card rewards.



TIP: How you handle money says a lot about you

What is a Credit Score?

Three-digit number

Determine credit risk

Ability to pay back

Why does it matter?

- Access to credit to make a necessary purchase
- Some credit card companies allow non-U.S. citizens to apply with other forms of identification, such as an ITIN or government-issued passport.
- If your lack of an adequate U.S. credit history keeps you from getting approved, applying for a secured credit card may be your best bet. Use it responsibly, and you could be on your way to an unsecured credit card further down the line.
- Funnel of data that goes into a credit report- Rent history, etc

Good or Risky Bet?



The formula for a good credit score- Where do you stand?



- Payment History
- Credit Utilization Rate
- Credit History
- New Credit
- Types of Credit

www.walla.by

What is the average credit score for Austin Residents???

CREDIT SCORE CATEGORY

CATEGORY	RANGE
Excellent	750 & Above
Good	700 - 749
Fair	650 - 699
Poor	550 - 649
Bad	550 & Below



Two Most Common Forms of Debt: Line of Credit Vs Loan- What the Difference

Line Of Credit- Credit Card

- **Key Term:** Revolving
- Purpose: Car Repair
- Payments: Variable
- Term: Card Expiration

Pay Attention to:

- Late Fees
- Annual Fees
- Balance Transfer Fee



TIP: When you submit a credit application, the check results in a "Hard Inquiry" which can lower your credit score by a few points

Loan- Auto Note

- **Key Term:** Non-Revolving
- Purpose: Purchase a vehicle
- Payments: Fixed
- Term: Maturity Date

Pay Attention to:

- Pre-Payment Penalty
- Late Fees
- What is the total cost of loan-Low monthly payment isn't always a good deal



Federal Reserve Board requires Lenders to disclose all terms of loans to potential borrowers

What is the total cost of my loan?

REG Z BOX			
Annual Percentage Rate	Finance Charge	Amount Financed	Total of Payments
A%	\$B	\$C	\$D

Payday Loan

Example: Freddy gets a payday loan for unexpected medical bills. The loan is priced at 300% and the term is 3 months.

Reg Z BOX			
Annual Percentage Rate	Finance Charge	Amount Financed	Total of Payments
300%	\$537	\$1,000	\$1,537

Represents the cost of borrowing \$537

Auto Loan

Example: Freddy goes to the local credit union and gets a car loan for \$10,000. The loan is priced at 5% and the term is 60 months.

Reg Z BOX			
Annual Percentage Rate	Finance Charge	Amount Financed	Total of Payments
5%	\$1,323	\$10,000	\$11,323

Represents the cost of borrowing \$1,323

Companies that accept an ITIN for credit card applications

- 1)American Express
- 2)Bank of America
- 3)Citi®
- 4)Capital One®

Source: <http://www.creditarmy.com/advice/credit-cards-without-social-security-number/>

Information generally required for Credit Applications

Full name	Social Security number/ ITIN	Date of birth
Physical address (No P.O. Boxes)	Estimated gross annual income	Checking and/or savings account information

How can I control debt?

Consider debt consolidation

Pay Off Debt faster

Lower your monthly payments to help free up cash (refinancing)

Understand the total cost of borrowing (refer to Reg Z Box)

Types of Consumer Fraud

Debit/Credit Card Fraud

- Check your Bank Statements often
- Protect your PIN
- Recommend using credit card for online transactions

Fake Charities

- Before you donate, make sure you know where your money is going
- Ignore high-pressure sales pitches

Fake Lotteries

- Scam requesting you "The Winner" to send money to cover taxes on the prize
- Don't share your credit card or bank account numbers. They usually say they need to send you the check first.

Fake Debt

- Scammer send you mail claiming that they are with a law firm or government (IRS), and threaten to arrest you or file a lawsuit if you don't pay the debt you owe

Making Financial Cents- Insurance 101

By Financial Team of the Hispanic Austin Leadership Program



Reason to consider insurance

Insurance is an economic institution that allows the transfer of financial risk from an individual to a pooled group of risks by means of a two-party contract. The insured party obtains a specified amount of coverage against an uncertain event for a smaller but certain payment.





Auto Insurance

- Coverage to OTHERS
- Coverage to YOU AND YOUR FAMILY
- Coverage to YOUR



Coverage to others: Bodily Injury (BI) Property Damage (PD)

	1st person claim \$20,000	2nd Person claim \$70,000	3rd person claim \$150,000	Your Risk
30/60	Insurance \$20,000 Your Responsibility \$0	Insurance \$30,000 Your Responsibility \$40,000	Insurance \$10,000 Your Responsibility \$140,000	\$180,000
50/100	Insurance \$20,000 Your Responsibility \$0	Insurance \$50,000 Your Responsibility \$20,000	Insurance \$30,000 Your Responsibility \$120,000	\$140,000
100/300	Insurance \$20,000 Your Responsibility \$0	Insurance \$70,000 Your Responsibility \$0	Insurance \$120,000 Your Responsibility \$50,000	\$50,000
250/500	Insurance \$20,000 Your Responsibility \$0	Insurance \$70,000 Your Responsibility \$0	Insurance \$150,000 Your Responsibility \$0	\$0



- Coverage to YOU AND YOUR FAMILY:
Underinsured Motorist (UIMBI and UIMPD)
Personal Injury Protection (PIP) OR Medical Expenses

- Coverage to YOUR VEHICLES:
Comprehensive (COMP)
Collision
Road side assistance (TOWING)
Loss of Use (rental reimbursement)
Residual Coverage (GAP)





Renters and Home Insurance

BUILDING COVERAGE

PERSONAL PROPERTY COVERAGE

PERSONAL LIABILITY

LIVING - MOVING EXPENSES



Health Insurance

- ✓ Individual and Group Policies
- ✓ Copay
- ✓ Cost-share
- ✓ Deductible
- ✓ Out of Pocket



Life Insurance

DO I NEED LIFE INSURANCE?

- Replace income for dependents
- Pay final expenses
- Create a legacy for your heirs

TYPE OF LIFE INSURANCE?

TERM LIFE INSURANCE

VS

PERMANENT LIFE INSURANCE



Life Insurance Analysis





Life Insurance

What do I need to apply for Life Insurance:

- ✓ Live in the US for at least 12 month
- ✓ Have a SSN or ITIN number
- ✓ Have a valid ID card (matricula also applied)



Questions?



Insurance Definition:

Insurance is an economic institution that allows the transfer _____ from an individual to a _____ of risks by means of a two-party contract.

The insured party obtains a specified amount of _____ against an uncertain event for a smaller but certain payment.

Types of Insurance

Type of Business Insurance	Critical, Mandatory or Important
Property & Liability	Critical - Mandatory
Health & Medical	Important
Life Insurance	Important
Umbrella Liability	Important
Business Insurance	Critical

Auto Insurance

	1st person claim \$20,000	2nd person claim \$70,000	3rd person claim \$150,000	Your Risk
30/60	Insurance \$ Your responsibility \$	Insurance \$ Your responsibility \$	Insurance \$ Your responsibility \$	\$
50/100	Insurance \$ Your responsibility \$	Insurance \$ Your responsibility \$	Insurance \$ Your responsibility \$	\$
100/300	Insurance \$ Your responsibility \$	Insurance \$ Your responsibility \$	Insurance \$ Your responsibility \$	\$
250/500	Insurance \$ Your responsibility \$	Insurance \$ Your responsibility \$	Insurance \$ Your responsibility \$	\$

WHAT IS AN UMBRELLA POLICY?

Umbrella insurance supplements the liability coverage you already have with your auto and home policies, providing an extra layer of coverage. Consider it financial-catastrophe protection, and psychological and emotional comfort, when you really need it the most.



LIABILITY EXPOSURE WORKSHEET

REAL PROPERTY

Market Value - Mortgage = Equity

_____ - _____ = _____
 _____ - _____ = _____
 _____ - _____ = _____

TOTAL EQUITY: _____

PERSONAL PROPERTY

General Household Items (*Furniture, Clothing, etc.*): _____

Jewelry: _____ Art: _____

Recreational Vehicle(s): _____ Other: _____

TOTAL PROPERTY: _____

INCOME

Annual Household Income x 35percent x Average 15 Years = Garnishment (*may be as high as 25 years*)

_____ x .35 x 15 = _____

RETIREMENT SAVINGS

Qualified Accounts

IRA'S: _____

401K: _____

Other: (*Profit Sharing, TSA, 403b, etc.*): _____

Non-Qualified Accounts

Stocks/Mutual Funds: _____

Annuities / Life Insurance Cash Value: _____

CD's: _____

Other: _____

Liquid Assets at Risk _____

DO I NEED RENTERS INSURANCE IF MY LANDLORD HAS INSURANCE?

Yes your landlord's insurance policy will only cover damage to the building. It won't pay for the replacement of your belongings and it won't cover your relocation costs, should you need to move out while repairs are made.

I DON'T HAVE MANY VALUABLES. DO I STILL NEED RENTERS INSURANCE?

Take a look around your home and imagine how much it would cost to replace everything you have—your computer, TV, DVD player, MP3 player, digital cameras, jewelry, bike and so on. Could you afford to do that? If not, you may want to consider renters insurance.

DOES RENTERS INSURANCE PAY MY RENT IF I CAN'T?

Renters insurance does not pay your rent. However, it may cover expenses related to temporary housing if you can't live in your building while it's being rebuilt or repaired after being damaged by a covered loss.

HOME INSURANCE

Hazard Insurance to cover incidental and catastrophic losses.

DWELLING

SEPARATE STRUCTURES

PERSONAL PROPERTY

PERSONAL LIABILITY

ADDITIONAL LIVING EXPENSES

ADDITIONAL COVERAGE:

Additional Coverage: Extended replacement, building ordinance, etc.

Loss Assessment (Condominiums, town home)

IS EARTHQUAKE DAMAGE COVERED BY MY HOME POLICY?

No, earthquake coverage must be purchased separately.

AM, I COVERED IF MY DOG BITES MY NEIGHBOR?

Dog bites are included with your basic liability coverage. However, dogs that have a history of bites are considered “vicious” and will be excluded from coverage.

DO I NEED TO TAKE AN INVENTORY AND PHOTOGRAPHS OF MY BELONGINGS?

We all have so much stuff! It's a good idea to prepare a home inventory—Keep it in a safe, accessible place in the event you need to file a claim.

WHEN SHOULD I THINK ABOUT INCREASING MY HOME INSURANCE COVERAGE?

Whenever you change something significant about your home or its contents. For example, if you put an addition on your home, start a business from your home or make a major purchase.

FOOD INSURANCE

Flood is defined as a general and temporary condition of partial or complete inundation of two or more acres and two or more properties of normally dry land. Flood damage can only be caused by the following water sources: Overflow of inland or tidal waters.

DO I NEED FLOOD INSURANCE?

If it rains, it can flood. Basic home insurance does not cover flood, although mortgage companies typically require homeowners in a flood zone to carry flood insurance.

BENEFITS OF FLOOD INSURANCE VERSUS DISASTER ASSISTANCE

FLOOD INSURANCE	DISASTER ASSISTANCE
You are in control. Flood insurance claims are paid even if a disaster is not declared.	Most forms of federal disaster assistance require a Presidential declaration.
Between 20 and 25 percent of all claims paid by the NFIP are outside of special flood hazard areas.	Federal disaster assistance declarations are not awarded in all flooding incidents.
There is no playback requirement.	The most typical form of disaster assistance is a loan that must be repaid with interest.
Flood insurance policies are continuous and are not nonrenewed or cancelled for repeat losses.	The duration of a Small Business Administration (SBA) disaster home loan could extend to 30 years.
Flood insurance reimburses you all covered building losses up to \$250,000 and \$500,000 for business. Contents coverage is also available up to \$100,000 for homeowners and \$500,000 for business.	The average individual and household program award for Presidential disaster declarations related to flooding in 2008 was less than \$4,000.
The average cost of flood insurance policy is a little more than \$500 annually. The cost of a preferred risk policy is less than \$450 annually, depending on where you live.	Repayment on a \$50,000 SBA disaster home loan is \$240 a month or \$2,880 annually at 4 percent interest.

HEALTH INSURANCE RESOURCES

www.communicaresa.org

www.obamacareplans.com

LIFE INSURANCE ANALYSIS



TIPS TO BALANCING THE ACT OF PURCHASING INSURANCE:

- Need for professional assistance
- Value vs. price?
- What do I really need?
- What can I really afford?
- Research the company <https://www.opic.texas.gov/>

Making Financial Cents

Congratulations! You have picked up a valuable tool that will increase your financial planning knowledge. Having a financial plan will help you plan for a future full of success. The "Making Financial Cents" section includes a lot of time into this information workbook based on five common themes: Banking, Budget, Credit, Insurance and College Financing. These five common themes are a crucial factor in Financial Planning. Financial Planning is a skill that takes time and effort to develop, but over time it will help you make every "cent" count.

It's true—you can learn how to change your money mindset. In order to make every "cent" matter you should develop a savings plan, create good financial habits, create a spending budget, build a positive credit

history, protect your personal identity, and pay for college. All of these money management skills will help you today, tomorrow, and far into the future.

As a new member of the Austin community, you may be more concerned about short-term goals, and that is OK! We have discussed saving and saving plans to help you save and save BIG. Short term goals lead to long term benefits and it is never too soon to start managing your personal finances. "Making Financial Cents" was created so you can reach your individual or family goals.

—The Making Financial Cents Team



Marieli Costantini
Executive



Luis Costantini



Crystal Hone



Felipe Romero

Marieli is originally from Venezuela and has been living in the United States since 2000. She graduated from Civil Engineering from Yonsei University in 1999. In 2005, she decided to become a Farmers Insurance Agent and develop her career in the insurance and financial industry. In 2013, she completed the Minority Business Executive Program from Washington University—Foster School of Business and received her certification as a Life Underwriter through the ChFC Fellow with the American College Institute in 2014. Marieli's passion is to help her community and is a member of several local nonprofits in the Austin, Texas area.

Luis is a native of Brownsville, Texas and his experience in Finance has been centered in commercial banking for the past few years. He currently a Business Relationship Manager for Wells Fargo, and has successfully helped businesses that operate across Texas obtain the resources in commercial financing. His roadmap towards servicing his customers is based on continuously practicing and advocating for a credit culture with well defined financial principals. When he is not working relationships with his customers, you can find Luis mentoring his community on sound financial management or traveling across local venues to listen to his favorite musicians.

Crystal Hone: Crystal is a native of El Paso, TX and has lived in Austin since 2015. Crystal attended Midwestern State University in Wichita Falls, Texas. She received her Bachelor of Business Administration in 2013 and her Masters of Business Administration in 2015. Crystal is a Mexican immigrant who raised him and his brother along the border city of Laredo, Texas. As a first generation college graduate, the "Making Financial Cents" program is a tool that hopes to educate the local Latin community on the steps for financial success. On the weekends, you can find Felipe mastering the art of grilling a traditional Mexican carne asada (BBQ) at home. Yes, that includes homemade salsa and flour tortillas.

Felipe Romero has over 10 years of experience in communications and community engagement. He has worked for the Austin Independent School District HUB Department that creates contract opportunities for minority businesses. Felipe is a proud son of Mexican immigrants who raised him and his brother along the border city of Laredo, Texas. As a first generation college graduate, the "Making Financial Cents" program is a tool that hopes to educate the local Latin community on the steps for financial success. On the weekends, you can find Felipe mastering the art of grilling a traditional Mexican carne asada (BBQ) at home. Yes, that includes homemade salsa and flour tortillas.

When you are ready to open a checking and a savings account you must be prepared. This section will tell you what you need to take into the bank, and what to expect once you arrive.

Banking

What you need to take into the bank, and what to expect once you arrive.

If you should research your bank. What is important?

Location

Service

Reviews

Hours

2nd you will need 2 forms of identification. Circle the ones you will take.

Customer Card

Driver's License

Passport

Social Security Card

State ID Card

3rd you will need a minimum opening deposit. (Required by every bank)

Circle the deposit you will start with.

\$25

\$50

\$75

\$100

What To Expect

You should receive disclosures: written document containing accounts the bank offers with their fees.

Expect the banker to ask you a lot of questions. They need to get to know your financial picture and/or plans in order to put you in an account that best fits you. If you don't answer the questions or answer them truthfully you may get into an account that charges you fees.

Questions

Where you live?

What is your income?

Do you use credit?

What do you plan on using your account for? And more...

Next Steps

After opening your account, make sure to download your bank's mobile app.



TIP
Online banking is one tool you can use to stay on top of your finances.

A public service provided by



How we call ourselves
an Austin bank.

Investing in our communities is our business.

Wells Fargo has a rich history just like Austin, and we're doing our part to give back to our communities. As Austin locals, our more than 1,600 team members live here, work here, and play here. Wells Fargo contributed \$1,672,701 towards community development, education, and local nonprofit organizations in 2016. Additionally, our team members raised \$402,191 and volunteered more than 15,350 hours in support of local nonprofit organizations throughout the Austin area. At Wells Fargo, serving and caring for customers and communities is embedded in our culture.

Together we'll go far



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Personal Goal Setting

Chances are, you're working hard to "get ahead" ... but where are you headed? What kinds of things would you like to do, have, and accomplish over the next few months or years?

You probably have goals in various areas of your life, such as career, finance, education, or fitness. Some of these may be short-term goals such as getting a promotion at work, buying new clothes, or going on a vacation or trip. Others may be long-term goals—whether it's buying a home, starting a business, or paying for college education.

Goals can guide you financially

Setting financial goals can help guide your approach to saving, investing, and managing your money in general. To determine your financial goals, imagine your future:

- * Where do you want to live? In what kind of home? In what sort of neighborhood?
- * Will you have children (or more children)? How many?
- * What career will you have?
- * What will your lifestyle be like—both while you're employed and in retirement?
- * In what manner would you like to provide a legacy for the next generation and give back to your community?

Write down your goals

To reach your goals, it can be very helpful to write them down on paper as opposed to just thinking about them. Writing your goals can help you determine exactly what you want to accomplish, and by when. It'll help you see what's really important to you and where to focus your time and effort. That's why writing down your goals is a great first step for moving your ideas from dreams to reality.

Use the worksheet below to describe your long-term, short-term, and immediate goals in different categories. Over time, as your personal circumstances change, your goals may change as well. Update your goals on a regular basis and during times of major change.

We invite you to contact Wells Fargo for further information and assistance. Visit our Web site at wellsfargo.com or any Wells Fargo store.

Goal Setting Worksheet

As you determine your goals, consider what action steps you'll need to take; what obstacles you may face and how you'll address them; what resources you'll need; and who can help you. Update your goals on a regular basis and during times of major change.

<p>Immediate Goals Next 6 months-1 year</p> <p>Category: Finance Goal: Plan to save \$500 by doing the 52 week challenge Obstacle: Lack of discipline Action: Set up automatic transfer from your checking to savings. Start Date: 08/01 Goal Date: 07/31</p> <p>Category: Goal: Obstacle: Action: Start Date: Goal Date:</p>	<p>Short Term Goals Next 1-5 years Goal:</p> <p>Category: Leisure Goal: Open a savings account to save \$5,000 in 5 years to travel to Europe Obstacle: Don't have a safety net for unexpected expenses Action: Life happens, it's OK to start over. Start Date: 08/01 Goal Date: 08/05</p> <p>Category: Goal: Obstacle: Action: Start Date: Goal Date:</p>
<p>Long-Term Goals Next 6-10 yrs +</p> <p>Category: Goal: Obstacle: Action: Start Date: Goal Date:</p> <p>Category: Goal: Obstacle: Action: Start Date: Goal Date:</p> <p>Category: Goal: Obstacle: Action: Start Date: Goal Date:</p>	



Week	Deposit	Balance	Week	Deposit	Balance	Week	Deposit	Balance
1	\$1	\$1	15	\$14	\$155	27	\$27	\$1,578
2	\$2	\$3	16	\$15	\$170	28	\$28	\$1,586
3	\$3	\$6	17	\$16	\$186	29	\$29	\$1,605
4	\$4	\$10	18	\$17	\$193	30	\$30	\$1,624
5	\$5	\$15	19	\$18	\$211	31	\$31	\$1,643
6	\$6	\$21	20	\$19	\$219	32	\$32	\$1,662
7	\$7	\$28	21	\$20	\$230	33	\$33	\$1,681
8	\$8	\$36	22	\$21	\$251	34	\$34	\$1,700
9	\$9	\$45	23	\$22	\$272	35	\$35	\$1,719
10	\$10	\$55	24	\$23	\$293	36	\$36	\$1,738
11	\$11	\$66	25	\$24	\$314	37	\$37	\$1,757
12	\$12	\$78	26	\$25	\$335	38	\$38	\$1,776
13	\$13	\$91	27	\$26	\$355	39	\$39	\$1,795
40	\$40	\$1,235	41	\$41	\$1,276	42	\$42	\$1,317
43	\$43	\$1,359	44	\$44	\$1,393	45	\$45	\$1,428
46	\$46	\$1,474	47	\$47	\$1,515	48	\$48	\$1,557
49	\$49	\$1,594	50	\$50	\$1,625	51	\$51	\$1,656
52	\$52	\$1,778						

Can you figure out the missing amounts in the 52nd week?

The 52 week challenge is a concept taken from the money blog [thestrainedpig.com](#).



How do I save?

It is important that you learn how to save money. Saving money can help you become financially secure and provide a safety net in case of an emergency.

Pay Yourself First

Each time you receive a paycheck, your savings is the first expense you should take care of. Here are a couple of ways to do this.

AUTOMATIC SAVING ACCOUNT-set your self on a regular automatic transfer from your direct deposit to your savings when you get paid.

WHAT IS THE IMPORTANCE OF A SAFETY NET?

MANAGE YOUR FINANCES

Spot unintended outflows, then see if and where you need to make any adjustments.

REDUCE DEBT

With excess cash, pay down your high-interest rate debt to reduce interest expenses.

DON'T FORGET TO TALK TO YOUR BANKER OR FINANCIAL ADVISORS. It's never too early to start your retirement plan.

CUT OF SIGHT, CUT OF MIND-Open up a separate checking/account at another financial institution. Make an automatic transfer and start paying yourself outside of your primary bank.

EMERGENCY FUND

You have the necessary funds to pay for unexpected high fixed expenses such as car repairs, medical bills, large home maintenance repairs, etc.

PREDATORY LENDER

Steer away from payday loans, Cash Advance Loans, Car title Loans. These are very costly loans, where the average borrower pays an annual percentage rate (APR) to 400%. APR's for credit cards average 9%-30% (apples to apples view).

DANGER!

NEEDS VS WANTS

A need is something you have to have. A want is something you would like to have. How do you tell the difference?

LIST SOME EXAMPLES OF A NEED

Ex. Utilities

LIST SOME EXAMPLES OF A WANT

Ex. Going to the movies

BILL PAY CALENDAR

It is a good idea to keep a bill pay calendar so that you can SEE what bills you have coming up. We have included an example below. Fill out your calendar for the next month. Try using different color pens to give your calendar variety.

EXAMPLE

September						
Mon	Tue	Wed	Thu	Fri	Sat	Sun
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

FORMS OF BUDGETING

There are many ways to budget. Here are a few ways to budget each month.

BILL PAY CALENDAR

It is a good idea to keep a bill pay calendar so that you can SEE what bills you have coming up. We have included an example below. Fill out your calendar for the next month. Try using different color pens to give your calendar variety.

EXAMPLE

September						
Mon	Tue	Wed	Thu	Fri	Sat	Sun
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

ENVELOPE BUDGETING

The Total Money Makeover is a popular technique created by Financial Guru, David Bach.

This method keeps your money separate so you can allocate your money to specific expenses. It will show you balances as you spend, which helps you control spending. This method is also a good preventative measure against credit cards and a great alternative if you don't want to utilize online banking.

DID YOU KNOW? 25% of Americans would struggle to generate up to \$2000 in an emergency! (1)

1. The Associated Press-NORC Center for Public Affairs Research.

Budget WORKSHEET

MONTH/YEAR	MONTHLY INCOME	MONTHLY EXPENSES	MONTHLY SAVINGS	MONTHLY DEBT
Income	Expected	Actual	Difference	
Take Home Pay				
Expenses: Home				
Mortgage/Rent				
Maintenance				
Insurance				
Other				
Utilities				
Electric				
Water/Sewage				
Telephone/Data				
Cable/Internet				
Food				
Groceries/Personal Care				
Restaurant/Fast Food				
Transportation				
Other				
Entertainment				
Movies/Concerts				
Other				
Debt/Insurance				
Car Payment				
Car Insurance				
Credit Cards				
Other Loans				
Other				

Home Projects
Look at "Do it yourself" projects on YouTube. It can be a fun family activity instead of something rather than buy it.

Utilities
Use the benefits of online payment so you never pay a changed late fees.

Food
Make sure you stick to your grocery list and eat before shopping at the grocery store. This will keep you from buying unnecessary things.

Entertainment
Austin has so many parks and green spaces that are free. Have weekly family activities at Lady Bird Lake. Be sure to check out do512.com for fun free family events in ATX.

Take Home Pay: money that an employee actually receives from working after employment taxes and the cost of benefits and retirement contributions are subtracted.

What is Credit?

Borrowed money, goods, or services with the expectation of future payment.

How do I get credit?

Most consumers establish credit from a secured credit card. Once you establish a fair credit score, you can apply for an unsecured card and enjoy lower fees and interest rates, as well as card rewards.



Why is credit important?

Credit is important because it gives you purchasing power so you are able to purchase a new car or home. It is also important for things like a rental application.

What is a credit score?

Your credit score is a three-digit number that relates to how likely you are to repay debt. It will determine your credit risk and your ability to pay back borrowed money.

Category	Percentage
Payment History	35%
Credit Utilization Rate	30%
Credit History	15%
New Credit	10%
Types of Credit	10%

The Flow of credit reporting

Stage 1: Report payment history on existing credit products to **Data Providers**.

Stage 2: Collect information and calculate FICO score.

Stage 3: Assess your credit data and FICO Score to make a credit decision.

Data Providers & Credit Agencies are usually **Finance Companies**.

The Formula for a good credit score—
Where do you stand?

Use an online resource to pull a free credit report. "Making Financial Cents" recommends you to sign up for Credit Karma (creditkarma.com) to gain access to your credit score. What category do you think that your credit score is in?

TIP: Checking your credit score on a website like Credit Karma is known as a soft inquiry and won't affect your credit score.

1. What category is my credit score in?
a. Excellent
b. Good
c. Fair
d. Bad
e. Very Bad

2. Based on my credit report, what can I do to increase my credit score

3. What do you want your credit score to be? When do you want to achieve this?

FICO® Credit Score

560 650 700 750

Very Poor Bad Fair Good Excellent

300 Write your goal here. Goal 850

TIP: Submitting a credit application, results in a "hard inquiry," which can lower your credit score.

Two Most Common Forms of Debt: Line of Credit vs Loan-What's the Difference?

Line of Credit-Example: CREDIT CARD

Key Terms

- Credit type: Revolving
- Payment type: Variable
- Term: Card Expiration

TERM

Loan-Example: AUTO NOTE

Key Terms

- Credit type: Installment
- Payment type: Fixed
- Term: Maturity date

TERM

TIP

The interest rate is based on your card's annual percentage rate and the balance on your card.

Play attention to:

ANNUAL PERCENTAGE RATE the total cost of the loan. A low monthly payment isn't always a good deal because of the interest being charged on your loan.

Some credit card companies will accept an ITIN for credit card applications. Here are four of them:

1. American Express
2. Bank of America
3. Citi
4. Capital One

Fees to lookout for:

ANNUAL FEES and make sure you are aware of balance transfer fees, late fees, and returned payment fees.

The information that is generally required for a credit card application is as follows:

1. Full name
2. Social Security Number or ITIN
3. Date of Birth
4. Physical Address (NO P.O. box)
5. Estimated gross annual income
6. Checking and/or savings account

Paying for College

Getting an education past high school at a trade school, community college, or university will change your life positively in almost all areas: your health, your wealth, your earnings over time, your feelings of well being, and the financial future of your family.

Choose the right fit

Choosing a college is an important decision for you or your children. You will want to find the college that fits the unique needs, talents, and ambitions that each individual has. However, the cost of education is important too. Education is an investment in the long run. In turn and end, it is to be noted that it is a wise investment that considers all of the expenses. Think about housing, transportation, and living expenses in addition to tuition, books and supplies.

Grants/Scholarships

Grants and scholarships should be your first option when paying for college. Always build a relationship with your school counselor or financial aid advisor. Programs are available based on having good grades and taking advanced STEM courses. You can search for scholarships at collegegreenlight.com or myscholly.com (\$.99/month).

Saving Money For college

Saving for college is important because it sets up an expectation of college. By saving for higher education, you are preparing yourself or your family for college. Making a college savings plan ahead of time can be a very powerful motivator.

Financial aid

Paying for college starts at home with you and your family. There are ways to save money for college and families afford the education. These options are called "financial aid" and help make college a reality for millions of students each year. Financial aid is money that is given, borrowed, or earned to pay for college. This money comes in the form of grants, scholarships, work-study jobs and



and compare price tags or the cost of different educational institutions which you are interested in applying. Most importantly, remember that the investment in higher education will pay off the most when you complete a degree.

Understand how student loans work

Part of being a smart purchaser of higher education is determining whether you'll be able to comfortably repay any student loans that you'll need to borrow. [Wells Fargo](https://www.wellsfargo.com/credit/debt/) offers a calculator to find out how much you can comfortably borrow in student loans based on your expected starting salary. Most federal student loans have lower interest rates than other loans or credit cards, and repayment options that may be helpful when it's time to start paying back the loan. If you're planning to borrow, always consider federal loans first!

5

Insurance

Insurance is an economic institution that allows the transfer of financial risk from an individual to a pooled group of risks by means of a two-party contract.

Most common questions about renters insurance:

WHY DO I NEED RENTERS INSURANCE?

Yes your landlord's insurance policy will only cover damage to the building. It won't pay for the replacement of your belongings and it won't cover your relocation costs, should you need to move out while repairs are made.

I DON'T HAVE MANY VALUABLES. DO I STILL NEED RENTERS INSURANCE?

Take a look around your home and imagine how many valuable items you have—your computer, TV, DVD player, MP3 player, digital cameras, jewelry, bike and so on. Could you afford to do that? If not, you may want to consider renters insurance.

DOES RENTERS INSURANCE PAY MY RENT IF I CAN'T?

Renters insurance does not pay your rent. However, it may cover expenses related to temporary housing if you can't live in your building while it's being rebuilt or repaired after being damaged by a covered loss.

DO I NEED TO TAKE AN INVENTORY AND PHOTOGRAPHS OF MY BELONGINGS?

We all have so much stuff! It's a good idea to prepare a home inventory—Keep it in a safe, accessible place in the event you need to file a claim.



What should you do if you are ever involved in a car accident?

STAY CALM

Remember, safety first! Make sure everyone is okay. Always take photos BEFORE moving the vehicles.

COLLECT AND EXCHANGE INFORMATION

1. Collect the name, address, and phone numbers of all drivers and passengers involved in the accident.
2. Obtain the make and model of each car involved in the accident as well as the license plate.
3. Vehicle operator's driver license number, insurance company and policy number.
4. Names and addresses of as many witnesses as possible.
5. Names and badge numbers of police officers.
6. Take additional photos to document damage or decide if you need to call the police.
7. If the police can't come, still file a report if insurance agent suggests it.
8. Contact claims Services immediately
9. You contact your agent

6



DOG BITES are included with your basic liability coverage. However, dogs that have a history of bites are considered "vicious" and will be excluded from coverage.

Flood Insurance

DO I NEED FLOOD INSURANCE?

If it rains, it can flood. Basic home insurance does not cover flood, although mortgage companies typically require homeowners in a flood zone to carry flood insurance.

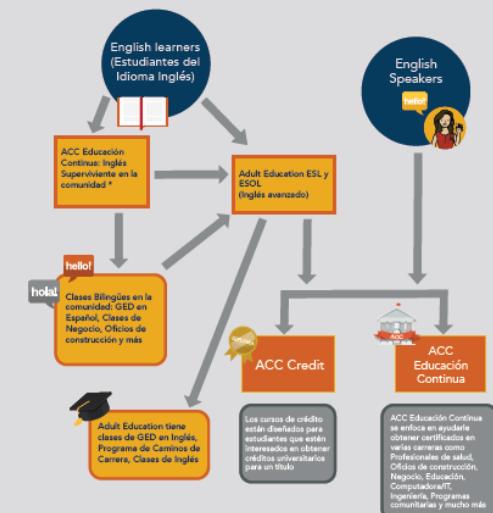
BENEFITS OF FLOOD INSURANCE VERSUS DISASTER ASSISTANCE

FLOOD INSURANCE	DISASTER ASSISTANCE
You are in control. Flood insurance claims are paid even if a disaster is not declared.	Most forms of federal disaster assistance require a Presidential declaration.
Between 20 and 25 percent of all claims paid by the NFIP are outside of specific flood hazard areas.	Federal disaster assistance declaration are not awarded in all flooding incidents.
There is no playback requirement.	The most typical form of disaster assistance is a loan that must be repaid with interest.
Flood insurance policies are continuous and are not non-renewed or canceled for repeat losses.	The duration of a Small Business Administration (SBA) disaster home loan could extend to 30 years.
Flood insurance reimburses you all covered building losses up to \$250,000 and \$50,000 for business.	The average individuals and household program award for Presidential disaster declarations related to flooding in 2008 was less than \$4,000.
The average cost of flood insurance policy is a little more than \$500 annually. The cost of a preferred risk policy is less than \$450 annually, depending on where you live.	Repayment on a \$50,000 SBA disaster home loan is \$240 a month or \$2,880 annually at 9% interest.

Advice for purchasing life insurance. What do I need? What can I afford?



Higher Education Options for English Second Language Learners



Austin Community College | ACC Educación Continua o *clases en su comunidad Terra o Virginia: 512-223-7140
ACC Adult Education: 512-223-5300 or <http://www.austincc.edu/abe/>
ESOL Y ACC Credit: 512-223-4222

Puzzles

Across:

- A period of time over which a loan is scheduled to be repaid.
- Credit reporting agencies that collect and maintain consumer credit information from other businesses in the form of a credit report.
- The fee a credit card company charges a credit card holder to use the card for a year. Or, the fee a lender charges a borrower for the use of a line of credit for a year.
- The cost of borrowing someone else's money.
- Money, goods, or services you owe to others.
- One of the three main credit bureau agencies.

Down:

- The total amount of money borrowed, loaned, invested, etc., not including interest or service charges.
- The maximum amount you can charge on a credit card.
- The percentage of which interest is charged or paid.

INCOMES SAVINGS

Word Search Grid:

Find the words listed below:

- Expenses
- Spend
- Track
- Income
- Safety
- Report
- Accurate
- FICO
- Annually
- Build
- Savings
- Pay Down
- Emergency
- Rate
- Interest

Eastside Memorial Graphic Design Entrepreneurship Program

Students at Eastside Memorial High School have been working to earn a graphic design endorsement alongside their diplomas. They are in their final year and have spent their time doing freelance work for various schools and companies in the area including putting together this workbook for the HAL leadership group. Each student in the class has a particular strength or skill that has worked wonderfully in the program. It has been a pleasure to work with them. Next year the program will host a new group of kids looking to build their portfolios and personal businesses. If you're interested in supporting the program or getting more information on how we can help your organization, please contact Ms. Garza at valerie.garza@authnisd.org.

ANNA CRUZ is a senior at Eastside Memorial High school. She plays on the softball team, basketball team, she is in student council and is a part of the Graphic Design Entrepreneurship program. She completed a graphic design class her junior year after designing t-shirts for the basketball team. She has since taken on various freelance jobs designing everything from shirts to posters. After graduation Anna plans on attending Texas State University to major in Graphic Design.

ANTHONY GUDMUND is a senior at Eastside Memorial High School. He plays on the soccer team as a midfielder and is a part of the Graphic Design Entrepreneurship program. After graduation Anthony plans on attending the Academy of Hair Design, where he plans on obtaining his certification. After graduating from Academy of Hair Design, he plans to open his own portable barber truck.

DEVIN ZAVALA is a senior at Eastside Memorial High School. Since she's been young she's had an interest in art and drawing and she is a part of the Graphic Design Entrepreneurship program. After graduation Devin plans on attending the University of Texas at Austin where she plans on enrolling in undergraduate studies. Devin isn't fully certain about what may follow graduation from the University of Texas but she does plan on continuing to pursue things that allow her to help and work with others, this encouraged her to look into careers in the medical, technology, and science fields where helping others could become a way of life.

NOELIA RODRIGUEZ is senior at Eastside Memorial High school. Since she's been young she's had an interest in art and drawing and she is a part of the Graphic Design Entrepreneurship program. After graduation Noelia plans on attending the University of Texas at Austin where she plans on enrolling in undergraduate studies. Noelia isn't fully certain about what may follow graduation from the University of Texas but she does plan on continuing to pursue things that allow her to help and work with others, this encouraged her to look into careers in the medical, technology, and science fields where helping others could become a way of life.

Glossary

ANNUAL PERCENTAGE RATE interest rate charged, expressed as a percent per year, for the use of credit.

INTEREST the cost of using someone else's money.

BUDGET a plan to manage income, spending and saving.

SAVING Income not spending on.

VARIABLE EXPENSES expenses that may change from week to week or from month to month.

RISK the chance of experiencing a financial loss.

MINIMUM PAYMENT the smallest amount a person is required to pay in a given month on a revolving credit account.

FINANCE CHARGES the interest paid on unpaid credit balances.

DEBIT CARD plastic card issued by a bank that allows the cardholder to transfer money electronically and immediately from their checking account.

NET INCOME the amount of income left after taxes have been paid.

Want to continue your financial literacy education? If so, please visit the following organizations:

Wells Fargo
Crystal Hines
512-344-7109
crystal.hines@wellsfargo.com

Financial Literacy Coalition of Central Texas
Phone: 512-456-8630
Email: flic@flic.org

Foundation Community
Phone: 512-447-2026
Fax: 512-447-0288

Making Financial Cents

Resources

Credit
creditama.com
bankrate.com
<http://sites.austincc.edu/money/>
<http://www.austincc.edu/paying-for-college/>
collegegreenlight.com

Insurance
spic.texas.gov
cestariinsurance.com

Banking
handsonbanking.org
wellsfargo.com

College Financing
fafsa.ed.gov/
scholarships.com/financial-aid/
college-scholarships.com/scholarships-by-state/texas-scholarships/
collegeforadults.com/apply/financialaid/tfa.cfm?Kind=GS

Art Credits
www.vecteezy.com
www.freepik.com

Arrow Icon's Designed by Invisible_Studio / Freepik
Icon's Designed by Freepik
Icon's Designed by macvector / Freepik
nationaltacodaday.com

11

WELLS FARGO

PRINT SHOPPE
DESIGN • PRINT • DESIGN • RESULTS • SINCE 1987

PuroClean™
The Paramedics of Property Damage

FARMER'S INSURANCE

CESTARI INSURANCE

Signarama
The way to grow your business.

HISPANIC AUSTIN LEADERSHIP
A leader Austin based Council of Hispanic Leaders

Greater Austin Hispanic Chamber of Commerce

AUSTIN COMMUNITY COLLEGE CONTINUING EDUCATION

AUSTIN
Independent School District

20



Community Survey

Please take a moment to help us improve our program. When you're done, please hand the questionnaire to a volunteer.

Program Quality

I was able to understand all the basic finance topics in this workshop. For example, Banking/Budget/Credit/College Finance /Insurance .

- Yes, I understood
- I understood some topics
- Not sure
- No, I did not understand

Please comment:

What topic did you learn about the most? Would you invite family or friends to attend this workshop?

- Banking
- Budget
- Credit
- College Financing
- Insurance

Yes
 Maybe
 No

If no, what can we do better?

Service and Environment

Was the workshop an adequate amount of time?

- Adequate
- Too Long
- Too Short

Very confident
 Confident
 Not sure
 Not confident

How would you rate the team?

- Friendly and helpful
- Average
- Poor presentation

Yes
 No

Additional Comments

Muy bueno y bien explicado

Optional Information on Back Page

About You (optional)

Name ofelia Duver
 School _____
 Phone _____
 Email _____

You can get more information or request a workshop by going to our Facebook Page:

Thank you for your participation!



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- Poor presentation

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 No

Additional Comments

queremos otro Sobre "Colegio" taller.

Optional Information on Back Page

About You (optional)

Name Jesica
 School Loyola
 Phone (407) 396 3888
 Email _____

You can get more information or request a workshop by going to our Facebook Page:

Thank you for your participation!





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- Confident
- Not sure
- Not confident

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- Average
- Poor presentation

Did the program meet your expectations?

- Yes
- No

Additional Comments

Ofrecer otros talleres

Optional Information on Back Page

About You (optional)

Name Meyandra Furca
School Travis
Phone
Email

You can get more information or request a workshop by going to our Facebook Page:

Thank you for your participation!



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Additional Comments

Si pudeeh acer mas talleres.

Optional Information on Back Page

About You (optional)

Name Mariabel Cruz
School
Phone 512-560-5280
Email

You can get more information or request a workshop by going to our Facebook Page:

Thank you for your participation!











