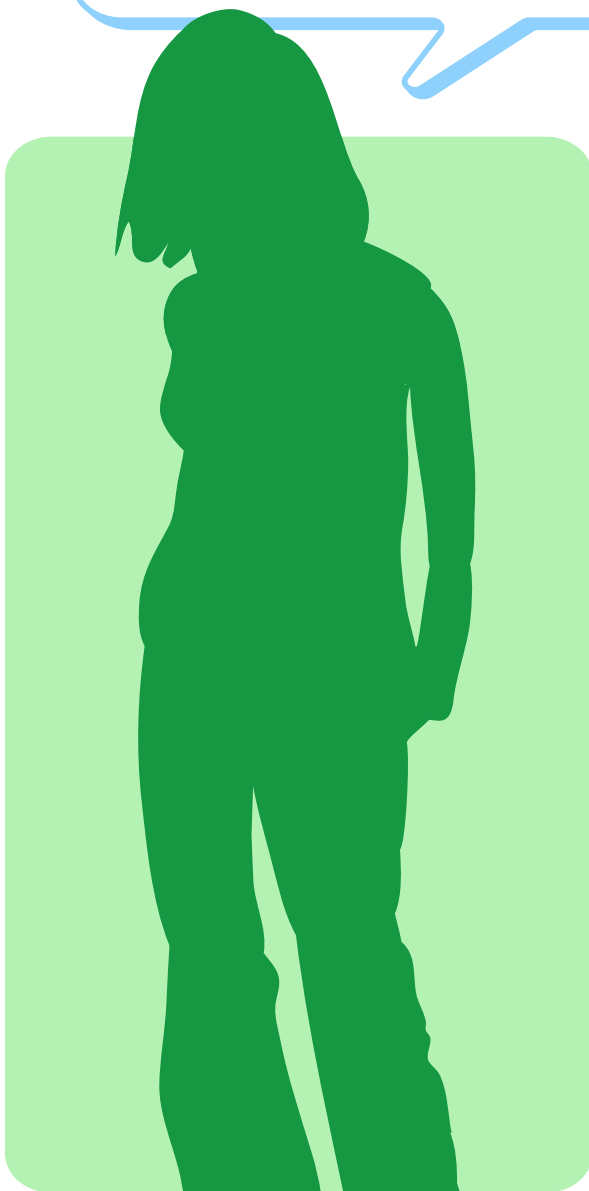




Smart Money Management— Step Up Your Money Game

What does it mean to financially have your own back?



Have Your Own Back

It means learning about managing your money and having a plan to earn, spend, and save so that you can achieve your financial goals. It also means keeping your money and your personal information safe.

Section 1

[How do I manage my money? How do I create a budget?](#)

How to spend what you have and understand “wants” versus “needs”. This section explores budgeting, saving, bank services, credit cards, smart shopping, and ways to pay your bills.

Section 2

[How can I protect my money and personal information?](#)

There are many things to consider when it comes to protecting yourself financially and keeping your personal information safe, but what should you do if you fall victim to fraud or identity theft? Check out this section to find out more.



Smart Money Management— Step Up Your Money Game

How do I manage my money? How do I create a budget?

Making a budget is the best way to save money.

Make a monthly budget and stick to it.

To get an idea of how much money you make and spend each month, follow these steps:

Step 1

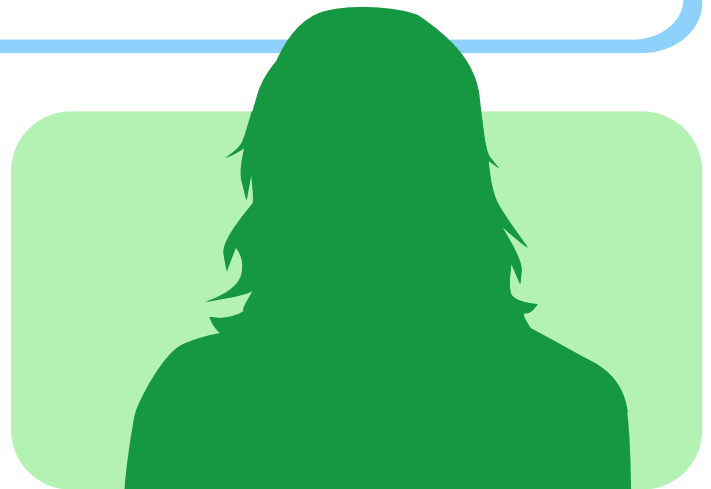
Calculate how much money you make each month.

Step 2

Create a list of what you spend your money on each month. Add up how much you spend.

Step 3

Subtract how much you spend from how much you make.



Step 4

Do you have money left over, or is the amount of money you spend more than the amount you make each month?

Step 5

Begin to make a budget.

Once you have figured out what you spend each month, you then need to take the first step to prioritize how you spend your money.



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Make a list of your **“needs”** and your **“wants.”**

A **need** is something that is necessary for survival. Needs are expenses or bills like rent, utilities like electric and heat, transportation, and food.

A **want** is something that a person wishes or desires to have like going out to eat, streaming services like Netflix, or a new video game.

It is important to make **needs** a priority.

A priority is something that is more urgent or important than other things.

Make sure to put some money aside for emergencies. Unplanned expenses or repairs, unemployment or getting less hours at work, or a health emergency can really hit your budget hard. Plan for these types of emergencies by having an emergency fund in your budget.





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Budgeting

The following are some examples of budget categories to help you identify your expenses and then prioritize them. You can use these examples to create your own budget. You may have individual expenses that are not listed here.



Bills/Living Expenses

- Rent
- Dorm costs if in college
- Utilities (electric, heat, water, etc.)
- Internet
- Phone

Daily Living and Household Supplies

- Laundry
- Cleaning Supplies
- Personal care (haircuts, shampoo, toothpaste, toilet paper, medicine, prescriptions, etc.)
- Necessary clothing items for work and activities, including shoes and seasonal clothes
- Furniture, kitchen supplies, bedding

Educational Costs

- Tuition
- Books
- Fees

Groceries

(3 meals a day and snacks)

- Produce (fruits and vegetables)
- Dairy
- Protein (meats, eggs, beans, etc.)
- Snacks
- College meal plan

Transportation

- Car payment
- Car insurance
- Gas
- Tolls
- Parking
- Public transportation
- Taxis or ridesharing (Uber, Lyft, etc.)

Savings

- Emergency fund
- Savings (for something big like a car or going to college)
- Investments
- Retirement account (IRA, 401(k), etc.)
- Life insurance

Eating Out

- Take-out
- Unplanned snacks or “grab and go” foods or drinks
- Eating at restaurants, tipping
- Food delivery services

Shopping

- Clothes/shoes that are “wanted” instead of “needed”
- Jewelry
- Home decorations
- Extra items that are a “want” and not a “need”

Self-Care

- Hobbies
- Gym membership
- Self-care classes like meditation or services such as massage, nail care, spa
- Activities

Entertainment

- Subscription or streaming services
- Going to the movies
- Concerts
- Going out with friends

Travels

- Vacations
- Day trips



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Section 1.4

Bank Services

Check out different banks to find the best fit for your needs. Banks may have different services, fees for late payments, and hours. You can look this information up online or visit in-person and speak with a worker in the bank about what you want for your account.

Credit Unions can be a great option and may offer extra perks, services, or loan opportunities.

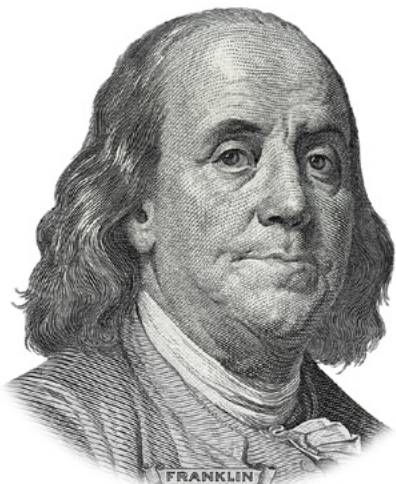
Use banking services so you can avoid places that cash your checks for you and keep a percent from your check, and always consider direct deposit of your paycheck into your bank account if your employer offers it. Review your account transactions and statements for accuracy and avoid bouncing checks or exceeding your credit limit.

Shop Smart

Take advantage of things on sale. Use coupons, layaway plans, shop for clearance items, and shop at “consignment” or “thrift” stores. By doing this you will have more money for other things. Compare prices when shopping in-person or online – do your research to get the best deal and wait for prices to come down on new items.

Pay Your Bills on Time

Avoid fees and late charges. Your payment history impacts your credit score. With good budgeting and money management skills you can stay on track. For example, it is important to pay your rent when it is due to avoid a possible eviction.



A penny saved is a penny earned.

— Benjamin Franklin



Smart Money Management— Step Up Your Money Game

Section 1.5

Some Ways You Can Pay Bills

- Check or debit card (pay with the money in your bank account)
- Electronically online (using money in your bank account)
- Sign-up for autopay. For example, arrange with your cell phone company to take the money for your bill out of your bank account automatically on a monthly basis. Doing this can help you avoid late charges, but you must make sure the money is in your account each month to cover the bill.
- Money order
- Cash (make sure to get a receipt)

Credit cards

A credit card may seem like free money, but if the balance is not paid off monthly it can quickly add up and you can end up with a large debt.

- Credit cards have different interest rates and fees, so look for ones with the lowest rate or talk to your bank about your options.
- The dollar limit for each credit card is also different and is typically based on a credit check.
- Some credit cards offer cash back for items like gas or groceries.
- Save your credit card for emergencies or needs like gas or car related expenses.
- Try to spend only what you have.
- Try to pay the credit card balance off each month by only charging what you can pay off quickly.





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Resources

There are various resources, sites, and applications out there that will assist you in starting to manage your finances. There are also financial advisors that can assist and guide you in managing your finances. It is important to protect your personal information and understand how any financial advisor gets paid.

Some of the resources, sites and applications are listed below:

- Financial Literacy for Youth in Foster Care - Child Welfare Information Gateway
<https://www.childwelfare.gov/topics/systemwide/youth/resourcesforyouth>
- Budget Checkup (Fidelity)
<https://communications.fidelity.com/pi/calculators/budgetcheckup>
- Budget Tracker & Planner | Free Online Money Management | Mint (Intuit)
<https://mint.intuit.com>
- Teaching Teens About Money (Fidelity)
<https://www.fidelity.com/learning-center/personal-finance/teens-and-money-learning-path>
- Money 101
<http://money.com/money/collection/money-101>
- Wealth Management | The Private Bank | Wells Fargo
<https://www.wellsfargo.com/the-private-bank>





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Other Helpful Resources

- What is an IRA? | Why you should invest | Fidelity
<https://www.fidelity.com/building-savings/learn-about-iras/what-is-an-ira>
- How to Gain Financial Stability in Retirement (AAG)
<https://www.aag.com/articles/finance/how-to-gain-financial-stability-in-retirement>
- Benefits | SSA
<https://www.ssa.gov/benefits>
- Retirement Benefits | SSA
<https://www.ssa.gov/benefits/retirement>
- Disability Benefits | SSA
<https://www.ssa.gov/benefits/disability>
- Supplemental Security Income | SSA
<https://www.ssa.gov/benefits/ssi>
- Government Benefits | USAGov
<https://www.usa.gov/benefits>
- The Differences Between a Credit Card and a Debit Card | Credit One Bank
<https://www.creditonebank.com/articles/the-differences-between-a-credit-card-and-a-debit-card>
- Navigating the college journey | Fidelity
<https://myguidance.fidelity.com/ftgw/pna/public/lifeevents/content/sending-child-to-college/overview>
- Help Your Teen Build Good Credit | Teens and Money | Fidelity
<https://www.fidelity.com/learning-center/personal-finance/teach-teens-about-credi>
- Why College is Worth It | Investing in College | Fidelity
<https://www.fidelity.com/learning-center/smart-money/why-college-is-worth-it>
- Student Loan Debt | How to Pay off Student Loans | Fidelity
<https://myguidance.fidelity.com/ftgw/pna/public/lifeevents/content/sending-child-to-college/overview/student-debt>
- Balancing Debt and Saving | Step-by-step Guide | Fidelity
<https://www.fidelity.com/viewpoints/personal-finance/how-to-pay-off-debt>



Smart Money Management— Step Up Your Money Game

**How can I protect my money
and personal information?**



The safety of your money and personal information is very important. Being in foster care can make you vulnerable to identity theft because people may have had access to your information when they helped you get medical care, government benefits, a job, or utilities.

Protect It: Here are some ways to protect yourself.

Personal Information Numbers (PINS) and Passwords

- Never give out your passwords to your email, Facebook or other social media, bank accounts, or other financial or school related accounts.
- Avoid common passwords and using your personal information as a password (birthday, SSN, parent's maiden name, etc.).



Smart Money Management— Step Up Your Money Game

Social Security Card/Number

There are limited reasons why you might need to share your Social Security Number (SSN). Employers, financial institutions, government agencies require your SSN. For example, you may need to provide your SSN when applying for financial aid for college, government benefits, or driver's license.

- Never give your SSN over the phone or internet (unless requested by your employer, a financial institution, or a government agency through a secure website).
- Never use your SSN as a password.
- Never carry your SSN card with you—keep it in a safe spot at home.
- Keep SSN card in a safe place with other important documents (ideally in a fireproof safe if you have one).
- Don't put your SSN or birth date on your checks.
- Before throwing away any documents that you do not need anymore, shred them, especially if they have your SSN, date of birth, passwords, or account numbers on them.

Website Security

- When using the internet to pay bills, login to an account, or make an online purchase make sure you see **https://** because only sites that have the "s" after "http" are secure and safe.

Your Mail/Mailbox

- Check your mailbox and take out all of your mail often—even junk mail.
- Going away for a few days or longer? Place your mail on hold at the post office.
- Keep your mailing address and email address up to date and notify banks, utilities, etc., when you move.

Throwing Papers Out

- Shred all papers with information that contain your name, SSN, PINS, phone number, birthday, account numbers, etc.



Smart Money Management— Step Up Your Money Game

What are credit bureaus?

Credit bureaus are consumer credit reporting agencies that provide credit reports, credit scores, and can be contacted about identity theft or fraud. Call right away if you suspect fraud. The three major credit bureaus are:

Experian

1-888-397-3742

www.experian.com

TransUnion

1-800-916-8800

www.transunion.com

Equifax

1-800-685-1111

www.equifax.com

These credit bureaus know your credit history, can pull your credit reports when applying for loans, and view your public records.

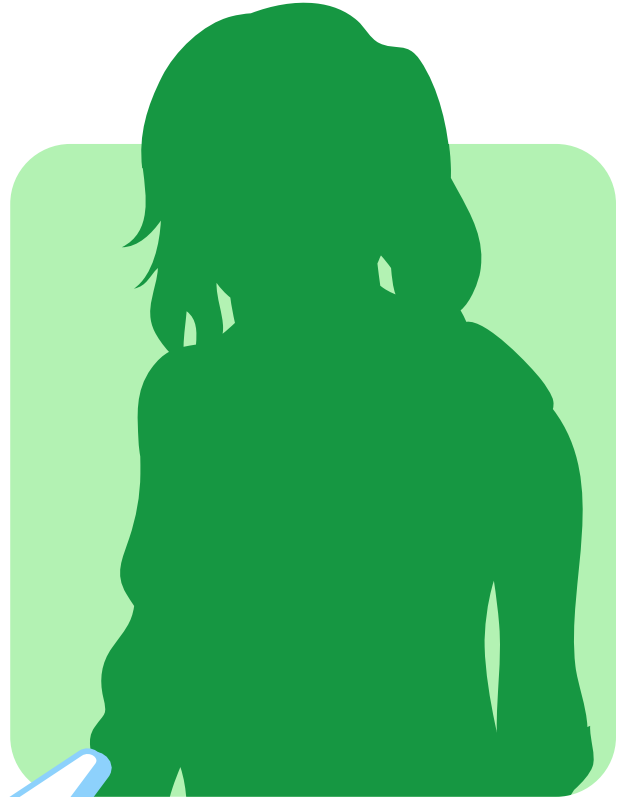


- Each has a history of personal information such as your employment and loan history.
- You can get your credit score from each credit bureau (a high number is good and a low number is not the best because it is hard to get loans and apartments if it is low).
- If you suspect fraud or identity theft you can call any one of the three credit bureaus and report it and ask them to place a hold/fraud alert on your accounts (remember to ask how long the fraud alert will be posted on your account and if you have options for extending the time period of the alert).



Smart Money Management— Step Up Your Money Game

- If you owe money while the account is on hold due to fraud, contact all companies you owe money to and place a hold on your credit card, bills, and any other accounts you may have due to the fraud activity and request new credit and/or debit cards with new account numbers (the credit bureau and your bank can assist you in understanding the process).
- Be sure to check credit card bills and bank accounts for evidence of strange activity.
- You should file a police report about fraud and identity theft with your local police department and get a copy of the police report to give creditors, companies, or others that may require proof.



Why am I provided a credit report when I leave foster care?

When you leave foster care you must be provided a credit report so that you can know where you stand and if there are any issues of fraud or identity theft that happened while you were in the child welfare system. A credit check is required annually for youth 14 and older while you are in foster care.

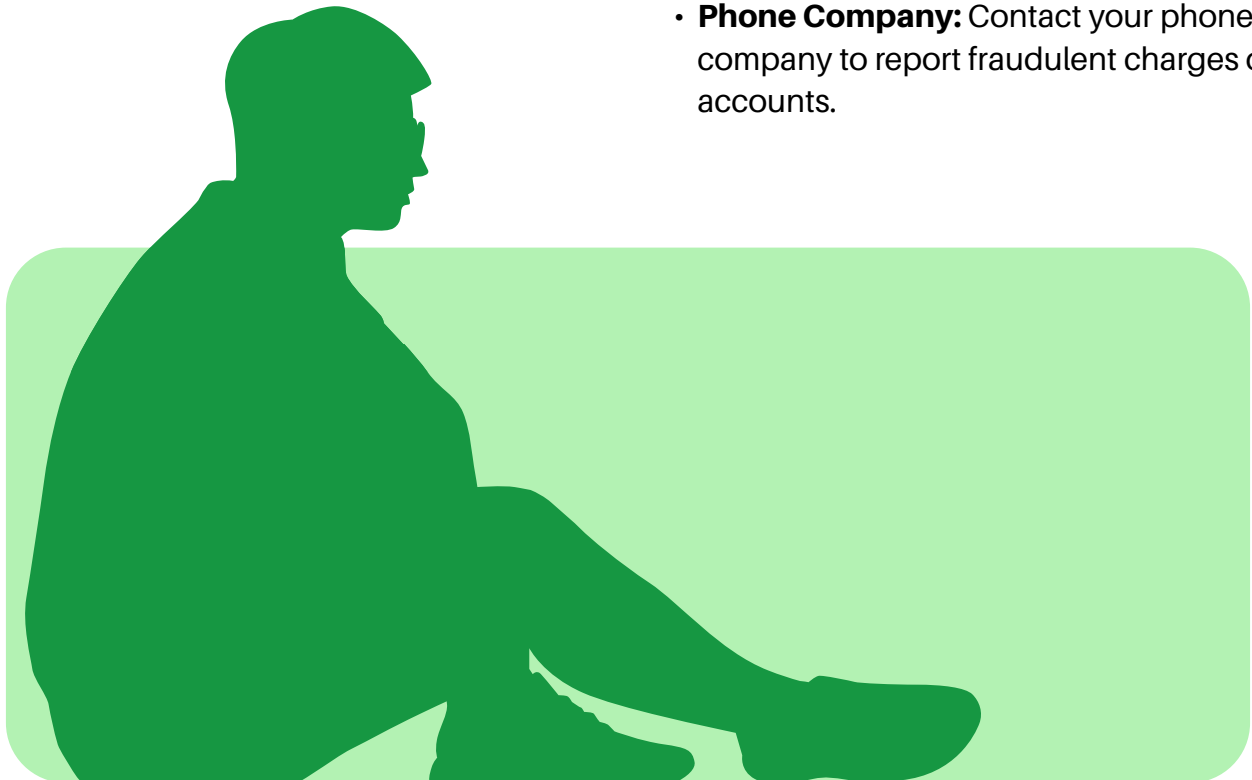
Be sure to ask your caseworker. To view the OCFS Administrative Directive 15-OCFS-ADM-13: Required Annual Credit Checks for Youth and Young Adults in Foster Care 14 Years of Age or Older visit <https://ocfs.ny.gov/search/docs.php?find=15-OCFS-ADM-13>



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Other actions to take when you suspect fraud, identity theft, or have a lost or stolen document:

- **Financial Institutions:** Report stolen checks, stolen or compromised ATM cards, or fraudulent bank accounts to your bank or financial institution and place a “stop payment” on checks you wrote before the incident took place, as well as obtain new account numbers.
- **Local Postal Office:** Notify the local post office if you suspect a change of address was filed with them or mail was used to commit fraud.
- **Social Security Administration:** Call the Fraud Hotline at 1-800-269-0271 to report fraudulent use of your SSN and order your “Earnings and Benefits Statement” (lists your employment and Social Security benefits) so that you can review it for accuracy.
- **Passport Office:** If you have a passport that was lost or stolen, notify the Passport Office in writing. If it is a U.S. Passport go to <https://www.usa.gov/passport-problems> or call 1-877-487-2778. If it is a foreign passport you should immediately report it to the embassy or consulate of the country from which it was issued.
- **Phone Company:** Contact your phone company to report fraudulent charges or accounts.





Smart Money Management— Step Up Your Money Game

Section **2.6**

Keep detailed documentation

- Keep a log of all conversations when reporting fraud, identity theft, or lost/stolen information. Include dates, times, names, and phone numbers. Send letters or forms by certified mail (return receipt requested to help track that the mail was received). Keep copies of all letters and documents.
- For more information about fraud and identity theft go to the Federal Trade Commission website at <https://www.ftc.gov>
- For practical tips to help guard against phishing and internet fraud go to <https://consumer.ftc.gov/identity-theft-and-online-security/online-privacy-and-security>

Food for thought: Scams and Fraud

Be careful out there. There are many scams that are waiting for you to let your guard down. Be careful with investment scams that promise fast money, employment scams that seem too good to be true, and cryptocurrency (like bitcoin) scams. Occasionally, the people we meet, or even friends or family, encourage us to invest in a product, business, or ask for a personal loan. Maintain healthy financial boundaries if you feel uncomfortable and do your research before investing. Visit this link for more information about scams and fraudulent practices <https://www.usa.gov/stop-scams-frauds>

