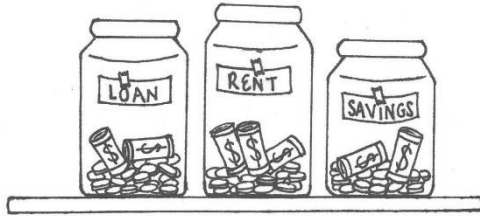


## The Road to Renting Program

# Debt and Money Management



**Good Credit** and **Good Money Management** are becoming more and more important to get into housing and to show the landlord that you're able to pay the rent and maintain the dwelling. The more you understand about money and how finances work, the better able you will be to shape your own future.

While completing the Debt Management and Money Management section of the Road to Renting Program, you will learn about:

- Why a credit report and a budget are important.
- How to get a free credit report.
- The different parts of a credit report.
- How to dispute errors on your credit report.
- The different kinds of debt.
- How to deal with debt collectors and prioritize payment options.
- Using a debt reduction plan to talk to a landlord.
- Payday loans and other risky ways to manage money.
- Banking, savings, and prepaid credit cards.
- Identifying fixed and flexible expenses.
- Recognizing needs, obligations and wants.
- Creating different kinds of budgets.
- Ways to increase income and/or cut spending.



920 West Second Avenue Spokane, WA 99201  
Phone: 509-455-4249 Fax: 509-325-9877  
RoadtoRenting@help4women.org  
[www.help4women.org/responsible-renter/](http://www.help4women.org/responsible-renter/)

*The information contained in The Road to Renting curriculum is intended for general informational purposes only and does not constitute legal advice. The law is constantly changing and information in this packet cannot be relied upon to be completely accurate in your personal situation. Refer to local community resources to seek out advice and assistance to address your needs.*

# Debt and Money Management

## THE WHY OF IT ALL

So, why do I need to know what's on my credit report?



So, why do I need to know how to budget when I'm on a limited income?

- When you pay the application fee, most landlords use a screening company to do a background check on you and that includes a credit report. The landlord can refuse to rent to you if your credit doesn't meet the renting criteria.
- You might need to dispute items that don't belong on your report; or you might need to set up a payment plan before a landlord will rent to you. Be informed.
- Know what's on your report so, if you have to, you can tell the landlord your story and ask for an exception to the criteria. Be informed.
- To maintain stable housing, you need to know how to make ends meet and deal with emergencies or unexpected expenses.
- A budget is a plan that helps you decide your priorities. You can focus on what's most important to you, even if you don't have enough money to get through the month.
- Knowing how to budget empowers you to make good choices and take action on reaching your financial goals.

**DON'T PAY A LANDLORD TO SAY NO.**

**DON'T TELL ME WHAT YOU VALUE, SHOW ME YOUR BUDGET, AND I'LL TELL YOU WHAT YOU VALUE.”** *JOE BIDEN*

# Debt and Money Management

Go to [www.AnnualCreditReport.com](http://www.AnnualCreditReport.com).

You need to give them your name, your social security number, and your date of birth.

Then they'll ask you for a "CURRENT" address.



**Pay Attention!**  
Put in your last  
PERMANENT  
Address.



So, here's how I got my free credit report.

You can get 1 from each of the credit bureaus once a year.

TransUnion<sup>tu</sup>

EQUIFAX

experian.

Check the reports you want, answer a few questions and...

*Voilà!*

You can print out your reports.

....Or NOT!  
I couldn't get mine there.



I had to go through a different website.

Go to [www.CreditKarma.com](http://www.CreditKarma.com).

You need to give them your name, your social security number, and your date of birth.

You also have to give them your email address so they can send you the report.

Beware!  
Once they have your email, they will send you lots of stuff.



# Debt and Money Management



Check out your report carefully.

Debt could be on there more than once. There could be debt that's not yours.



LOOK AT THE DIFFERENT PARTS AND UNDERSTAND WHAT THEY MEAN.

SECTIONS	GOT IT?
<p><b>Personal Identification Information</b> This includes your name, previous names, social security number, current and previous addresses, employer, and other identifying information that is gathered by creditors.</p>	
<p><b>Creditor Account Information</b> This section lists the creditors you currently have accounts with, their contact information, the type of account, your credit limit, repayment history. Both open and closed accounts are included. It may include additional information about any accounts or loans that you have.</p>	
<p><b>Collection Agency Account Information</b> If you don't pay the creditors, your debt may get turned over to a collection agency. Sometimes the same debt gets sold over and over again to different collection agencies. Usually, it's on your report for 7 years plus 180 days, then it doesn't impact your credit score.</p>	
<p><b>Public Record Information</b> This includes information obtained from local, state, and federal courts, like bankruptcies or liens on your property or judgments against you. This debt generally stays on your report for 7 to 10 years... or forever (like child support or student loans).</p>	
<p><b>Inquiries About Your Credit File</b> Soft inquiries are from businesses who have requested your contact information so they can invite you to go into debt or buy their products and services. Hard inquiries are those where you give a creditor permission to get your credit report, like a landlord or a bank.</p>	

# Debt and Money Management

## DISPUTING ERRORS ON YOUR CREDIT REPORT

### Online

Each of the credit bureaus has dispute forms on their websites. Return to the website where you received your credit report and follow the instructions online.

#### Experian

<http://www.experian.com/disputes/>

#### Equifax

<https://www.equifax.com/personal/disputes>

#### Trans Union:

<https://www.transunion.com/credit-disputes/dispute-your-credit>

### By Phone

Telephone the credit bureau where you received your report and ask them how you can dispute an error.

**Experian:** 888-397-3742

**Equifax:** 800-864-2978

**Trans Union:** 800-916-8800



ONLINE IS BEST.

### By Mail

Write a letter to the credit bureau(s) documenting the errors. Include the following:

- Your name, address, and social security number
- The reason the information is not accurate
- Statements, receipts, or cancelled checks that support your claim
- A copy of the credit report with the disputed item circled

Mail the form by **certified mail** to the bureau reporting the error

Experian

Equifax

TransUnion

P.O. Box 4000

P.O. Box 740256

P.O. Box 2000

Allen, TX 75013

Atlanta, GA 30374

Chester, PA 19022-2000



# Debt and Money Management

## PAYING OFF DEBT: MAKE A PLAN

#1

Sometimes if your debt has gone to collections, you will see the same debt more than once. The original debtor has sold the debt to the collection agency, so you have to contact the collection agency in most cases to pay the debt.

#2

If you have medical debt and you had insurance or a medical card at that time, that debt can possibly be referred back for payment.

Consider these 3 points.



#3

If your debt is due to fall off (be deleted) soon, wait and continue to monitor it.

Decide what to pay off first, second, third.



Think about your priorities.

- If you are experiencing homelessness, negotiate with former landlords if you owe past rent. Likewise, if you owe utilities, start a payment plan so that you can be ready to hook up utilities when you find a place to live.
- If you want to return to school, take care of school loans that are in default. Negotiate a payment plan or try to get a deferment so that you don't have to pay anything until you finish school.
- Some people prefer to first pay off the debt with the highest interest rate in order to lower the total cost of the debt. However, others prefer to pay off the smaller debts first in order to reduce the total debt quicker. This could be a better choice if the high-interest debts have high balances.

### IMPORTANT!!!!

Once you have negotiated a payment plan with a creditor, stick with it. If you stop paying, they will be unwilling to negotiate with you again. Be sure that you are realistic in your priorities and in what you can pay.

# Debt and Money Management

## DEBT REDUCTION PLAN: AN EXPLANATION

Look at the “potentially negative” section on your credit report and write down the following information for each item. Use the worksheet on the next page.

- The Current Debtor is the creditor who is trying to collect on the debt now.
- The Original Debtor is the one you originally owed money to.
- Write down the goods or services that you purchased under What It Is. This could be utilities, credit card, car towing, big screen tv, etc.
- The Amount Owed is in the next column. This is shown as the “Recent Balance” on your report.
- The Date It Will Fall Off (be deleted) can be found on your report with the phrase “...is scheduled to continue on record until (date).”
- The Monthly Payment refers to the amount that you plan to pay each month.
- Finally, in the Priority Action column, decide the priority for paying off the debt. Put a #1 next to the item you plan to pay off first, a #2 next, etc.... If the debt isn’t yours or if you need to take other action (like resubmit insurance information), write “fix.” If for some reason, you don’t plan to pay off the debt, write “dnp” (do not pay).

Show your plan to the landlord and explain your situation if your debt is preventing you from getting housing. Here is an example:

<u>Current Debtor</u>	<u>Original Debtor</u>	<u>What It Is</u>	<u>Amount Owed</u>	<u>Date It Will Fall Off</u>	<u>Monthly Payment</u>	<u>Priority Action</u>
<i>Main Collection Agency 509-555-1234</i>	<i>Televis Cable Company</i>	<i>Cable TV</i>	<i>\$95.00</i>	<i>4/2012</i>	<i>\$15</i>	<i>#2</i>
<i>Physicians Medical Clinic 509-555-2468</i>	<i>Physicians Medical Clinic</i>	<i>Broken Ankle</i>	<i>\$655.37</i>	<i>(not given)</i>	<i>Ø</i>	<i>Fix (med coupon)</i>
<i>Latent Collections 208-555-3579</i>	<i>Home Property Management</i>	<i>Rent</i>	<i>\$825.00</i>	<i>3/2014</i>	<i>\$100</i>	<i>#1</i>
<i>Financial Collections 206-555-6543</i>	<i>True Tone Communications</i>	<i>Cell Phone</i>	<i>\$250.00</i>	<i>1/2011</i>	<i>Ø</i>	<i>dnp</i>



# Debt and Money Management

## Budgeting: From Theory to Practice

Now that you have a handle on your debt, one of the most important things you can do to improve your finances is to create a budget, or a plan for your money. This will help you keep track of where you spend your money, and you will become more aware of your spending habits. A budget should include all of your sources of income and all of your expenses.

1. **Keep track** of everything you receive and spend money on for a week, two weeks, or one month. Then analyze your spending. Be informed.
2. **Break down** your expenses into:
  - Fixed expenses – those expenses you have that are exactly the same amount every month. Usually, you have no choice in changing the amount of these expenses. What are some examples of your Fixed Expenses?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- Flexible expenses – those that change from month to month, and often are more wants than needs. Usually, you can choose to spend more or less on these expenses. What are some examples of your Flexible Expenses?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- Periodic expenses – those that usually occur occasionally and may be unexpected. What are some examples of your Periodic Expenses?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Wealth is not about having a lot of money; it's about having a lot of options.

-Chris Rock

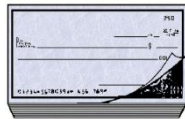
# Debt and Money Management

## HOW DO PAY DAY LOANS WORK?

Say you need to borrow \$100 for two weeks.



I need to borrow \$100



You write a personal check for \$116.20. (\$16.20 is the fee to borrow the money.)



The lender agrees to hold the check for two weeks—until your next payday.



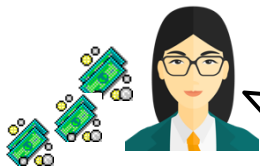
When that day arrives, either the lender deposits the check in his bank ...



...or you renew the loan and are charged another \$16.20 to give you more time to pay back the loan.



I can't pay back the loan. Please give me 2 more weeks.



Another \$16.20... and another... and another...



Another \$16.20?

...and so it goes. Each time you can't pay the loan, you have to pay more fees.

Up to 391% Annual Interest Rate!

# Debt and Money Management

## MAKE INFORMED CHOICES



**Pawn Shops:** You give something of value to a pawn broker in exchange for a loan. However, the loan is usually worth only half the value of the object. If you do not return the loan on time, your object will be sold.

**Rent to Own:** Items are “rented” to you with extremely high interest rates until they are completely paid off. If something happens to the item, you still have to pay for it until it is paid off, whether it is usable or not! In the end, you pay about 3 times more than the items are worth.



**No-Interest Loans:** These loans can be a good deal if you’re careful. Usually, you must borrow a certain amount and pay it back over a certain amount of time. If even one payment is late or missing, all the interest is due, late fees are added and the monthly payment is increased. Interest rates are high, 29.9% or more.

## WHAT ELSE CAN YOU DO?

- Use your own emergency savings.
- Borrow from family or friends.
- Use a short-term loan from your bank or credit union.
- Use a credit card (it could be lower interest and cheaper in the long run).
- Decide if you’re borrowing for a need or a want. If it’s a want, think about if you really should buy it, or maybe spend less for it.

# Debt and Money Management

## Banking and Saving

Some people have bank accounts, others use prepaid cards, and cash only is preferred by some. When choosing the best way to keep your money safe, make an informed choice. Here are some options....

### Advantages of Bank Accounts



- Money in the bank can't be lost or stolen.
- You can keep track of all the money you have through online banking.
- Direct deposit puts the money in your bank account for your immediate use.
- You can pay your bills online. Set up automatic payments for fixed expenses.
- A debit card is convenient to use and can be replaced if lost or stolen.
- You'll have no more check cashing fees.
- You can get cash anytime at ATMs in the bank's network with no fees.
- You can get loans for cars or school. This improves your credit.
- There are no fees for services at most banks if you're responsible with your money.

### Disadvantages of Bank Accounts

- If you have bad credit or if you owe a bank money, you may not be able to get a bank account.
- The fee structure is often complicated and easily misunderstood.
- Overdraft protection can result in high fees which can drain your account.

### Fees! Fees! Fees!

Bank fees can be confusing. Your money can seem to disappear if you don't understand how the bank's system works. Here are some questions to ask...



- Is there a fee for making a deposit?
- Is there a fee for going below the minimum balance?
- Are there fees for using debit cards?
- What are the fees if I overdraft?

# Debt and Money Management

## Pre-Paid Cards

### Advantages of pre-paid Cards

- There is no credit or background check so anyone can use one.
- Direct deposit to the card gives you immediate use of your money.
- You can only spend what you deposit onto the card so this can help you budget.
- Prepaid cards can be used in ATMs, so cash is accessible anytime.
- Spending can be tracked online so you know how much you have in your account.
- Some prepaid cards report to credit bureaus so you can improve your credit.

### Disadvantages of prepaid cards

- Most cards have a lot of fees. Activation fees, monthly fees, transaction fees, cash-withdrawal fees, balance-inquiry fees, fees to receive a paper statement or call customer service, bill-pay fees, and inactivity fees are some of them. The prepaid card company doesn't have to tell you all the fees so deciding which ones are good ones is difficult.
- Generally, there is no protection on the cards so if it is lost or stolen, you can't get your money back.
- You don't collect interest on the money you have on the card.

### Questions to Ask

Sometimes it's difficult to know what questions to ask to get the best deal. Here are some for you to consider...

- What are the fees for loading money?
- How much money can I load on my card?
- How long does it take to load money?
- Is there a monthly fee for using the card?
- Is there a fee if I don't use the card?
- Can I get cash back when making a purchase?
- Are there fees for using an ATM?
- Can I buy things online with my card?
- Is there a customer service fee?



Make an informed choice, Be in control of where you keep your money

# Debt and Money Management

Take another look at your fixed, flexible, and periodic expenses.  
Think about your needs, obligations and wants.

**Needs** } What you need to survive.



Healthy food like fruit and vegetables



Shelter like an apartment or a house



Clothes like pants and shirts and jackets

My Needs

**Wants** } What you would like to have but can survive without it



Snacks like ice cream soda and coffee



A washer and dryer in the unit



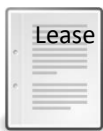
Tools



Entertainment

My Wants

**Obligations** } What you owe or must pay



Rent



Credit cards and loans



School



Car payment and insurance



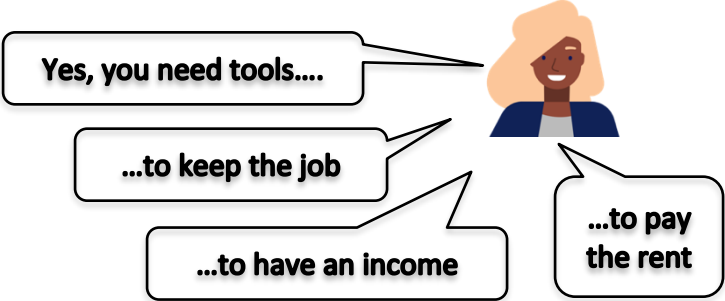
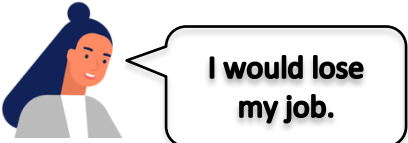
Medical bills

My Obligations

# Debt and Money Management

## Budgeting: From Theory to Practice

Think about why you need something. What happens if you don't have it? What obligations are tied to your needs? How important are your wants? What happens if you give them up? Here is an example...



**I need...**

A car...

---



---

1. \_\_\_\_\_

---



---

2. \_\_\_\_\_

---



---

**...because if I don't have it...**

I can't get to work, then I won't have a job then I can't pay the rent.

---



---

1. \_\_\_\_\_

---



---

2. \_\_\_\_\_

---



---

# Debt and Money Management

## Putting It All Together: Creating a Written Budget

### Income

1. Get a ledger with 5 or 6 columns or some lined paper or graph paper.
2. Begin each month on a new page. You might need to use 2-3 pages for each month. Decide if your budget will be a weekly one or a monthly one.
3. At the top of the page, write your income... all of it. In this weekly example, the first two weeks are done. The other weeks could also have income.

	Week 1	Week 2	Week 3	Week 4
<b>BEGINNING BALANCE FOR THE WEEK</b>	\$57.00			
<b>INCOME</b>				
<i>Income from 1st Job</i>	\$525.00			
<i>Income from 2<sup>nd</sup> job</i>		\$60.00		
<i>Food Assistance</i>	\$87.00			
<i>TANF</i>				
<i>Housing Voucher</i>	\$425.00			
<i>Social Security</i>				
<i>Other:</i>				
<b>TOTAL INCOME &amp; CASH</b>	\$1094.00	\$60.00		

4. In this example of a monthly budget, the income is written in only one column with the date that it's received.

	Month of January	Date Received
<b>INCOME</b>		
<i>Income from 1st Job</i>	\$525.00	January 3
<i>Income from 2<sup>nd</sup> job</i>	\$60.00	January 10
	\$60.00	January 24
<i>Food Assistance</i>	\$87.00	January 5
<i>TANF</i>		
<i>Housing Voucher</i>	\$425.00	January 2
<i>Social Security</i>		
<i>Other:</i>		
<b>TOTAL INCOME</b>	\$1157.00	

# Debt and Money Management

## Putting It All Together: Creating a Written Budget Expenses/Spending



5. As you go through the month, write down your expenses, both fixed and flexible. It could be helpful for you to carry a small book to keep track after leaving a store so that you don't forget something.



6. In the next section of your budget, write down your fixed expenses. Since they are the same each month, this is easy to do for the entire month.

7. Write down your other spending on your budget. You can do this weekly or more often if needed. Pay attention to the amount of money you spend on everything so that you don't over-spend and run out of money. Do the math.

8. This example of a weekly budget shows some fixed expenses and flexible expenses for the first week. As the weeks go by, additional expenses are added.

	Week 1	Week 2	Week 3	Week 4
<b>SPENDING: FIXED</b>				
<i>Housing (Rent &amp; Utilities)</i>	\$525.00			
<i>Medical Debt Payments</i>			\$15.00	
<i>Cell Phone</i>		\$15.00		
<i>Bus Pass</i>	\$50.00			
<i>Renter Insurance</i>	\$9.00			
<b>SPENDING: FLEXIBLE</b>				
<i>Clothes/Shoes</i>	\$20.00			
<i>Household Supplies &amp; Expenses</i>	\$7.45			
<i>Groceries</i>	\$34.71			
<i>Miscellaneous</i>	\$2.75			
<b>SAVINGS</b>				
<i>Money Market Acct</i>	\$5.00			
<i>Emergency Fund</i>	\$10.00			
<b>TOTAL SPENDING</b>	<b>\$658.91</b>			

# Debt and Money Management

The weekly budget looks good. What other ways can I budget?



9. This monthly budget shows all of the spending/expenses in one column. In this one, you add to it as you spend money during the month. Part of a month is shown in this example.

	January	Date
<b>SPENDING: FIXED</b>		
<i>Housing (Rent &amp; Utilities)</i>	\$525.00	January 2
<i>Medical Debt Payments</i>	\$15.00	January 3
<i>Cell Phone</i>	\$15.00	January 9
<i>Bus Pass</i>	\$50.00	January 2
<i>Renter Insurance</i>	\$9.00	January 6
<b>SPENDING: FLEXIBLE</b>		
<i>Clothes/Shoes</i>	\$20.00	January 8
<i>Household Supplies &amp; Expenses</i>	\$7.45	January 8
<i>Groceries</i>		
<i>Grocery Outlet</i>	\$21.05	January 3
<i>WinCo</i>	\$13.66	January 7
<i>Miscellaneous</i>	\$2.75	January 7
<b>SAVINGS</b>		
<i>Money Market Acct</i>	\$5.00	January 2
<i>Emergency Fund</i>	\$10.00	January 2
<b>TOTAL SPENDING</b>	<b>\$691.16</b>	

# Debt and Money Management

OK, but sometimes my spending doesn't go as planned.



10. This monthly budget is a little different because it shows what you expect to spend and what you actually spent. This budget could help you make a realistic spending plan.

JANUARY	EXPECTED	ACTUAL
<b>FIXED EXPENSES</b>		
<i>Housing (Rent &amp; Utilities)</i>	\$525.00	\$525.00
<i>Medical Debt Payments</i>	\$15.00	\$15.00
<i>Cell Phone</i>	\$15.00	\$15.00
<i>Bus Pass</i>	\$50.00	\$50.00
<i>Renter Insurance</i>	\$9.00	\$9.00
<b>Total Fixed</b>	<b>\$614.00</b>	<b>\$614.00</b>
<b>FLEXIBLE EXPENSES</b>		
<i>Clothes/Shoes</i>	\$18.00	\$20.00
<i>Household Supplies &amp; Expenses</i>	\$5.00	\$7.45
<i>Groceries</i>	\$40.00	
<i>Grocery Outlet</i>		\$31.05
<i>WinCo</i>		\$19.66
<i>Miscellaneous</i>	\$10.00	\$10.75
<b>TOTAL FLEXIBLE</b>	<b>\$73.00</b>	<b>\$88.91</b>
<b>SAVINGS</b>		
<i>Money Market Acct</i>	\$5.00	\$5.00
<i>Emergency Fund</i>	\$10.00	\$10.00
<b>TOTAL SPENDING</b>	<b>\$702.00</b>	<b>\$717.91</b>



What can I do if I overspend?



# The Weekly Budget

This is a one-month budget for a parent with two children. Using this weekly budget information, what changes would you make to come out even and save money every month?

	Week 1	Week 2	Week 3	Week 4
<b>BEGINNING BALANCE FOR THE WEEK</b>	\$257.00	\$521.00	-\$127.48	\$285.78
<b>INCOME</b>				
<i>Income from Job</i>	\$932.00		\$932.00	
<i>Income from 2<sup>nd</sup> job</i>	\$60.00	\$60.00	\$60.00	\$60.00
<i>Food Assistance</i>	\$412.00			
<b>TOTAL INCOME &amp; CASH</b>	\$1661.00	\$581.00	\$864.52	\$345.78
<b>SPENDING</b>				
<i>Debt Payments</i>				
Credit Card Payments			\$45.00	
Personal Loans				\$100.00
Student Loan		\$235.00		
<i>Savings</i>	\$0.00	\$0.00	\$0.00	\$0.00
<i>Housing (Rent &amp; Utilities)</i>	\$785.00			
Television		\$63.48		
Internet Service			\$22.74	
Phone & Cell Phone Service			\$66.00	
<i>Household Supplies &amp; Expenses</i>		\$25.00		
<i>Groceries</i>	\$200.00	\$80.00	\$80.00	\$80.00
<i>Eating Out (Meals and Beverages)</i>	\$25.00	\$25.00	\$25.00	\$25.00
<i>Transportation</i>				
Car Payment			\$185.00	
Fuel	\$60.00	\$60.00	\$60.00	\$60.00
Auto Insurance		\$150.00		
<i>Childcare</i>	\$50.00	\$50.00	\$50.00	\$50.00
<i>Miscellaneous</i>	\$20.00	\$20.00	\$20.00	\$20.00
<i>Late Payment / Overdraft Fees</i>			\$25.00	\$60.00
<b>TOTAL SPENDING</b>	\$1140.00	\$708.48	\$578.74	\$395.00
<b>ENDING BALANCE FOR THE WEEK</b>	521.00	-\$127.48	\$285.78	-\$49.22

←  
**The BEGINNING BALANCE is all of the money left from the previous week.**



I see... cut, reduce, re-evaluate.

**The ENDING BALANCE FOR THE WEEK becomes the beginning balance for the next week. Sometimes this can be a negative. A negative means that there wasn't enough money to pay for everything for that week.**

←

# Debt and Money Management

## Budgeting: Making Ends Meet

Take another look at your spending (or use the weekly budget example). Decide which expenses cannot be cut, which can be completely eliminated, and which ones can be reduced.

<b><u>Spending that cannot be cut</u></b> <i>(Example: Rent)</i>	<b><u>Reason</u></b> <i>(Example: If I don't pay the rent, I get evicted.)</i>
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<b><u>Spending that can be reduced</u></b> <i>(Example: Cell Phone)</i>	<b><u>Strategies for reducing</u></b> <i>(Example: Research cheaper cell phone plans.)</i>
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<b><u>Spending that can be eliminated</u></b> <i>(Example: Netflix)</i>	<b><u>Steps to eliminate</u></b> <i>(Example: Contact Netflix and cancel.)</i>
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**What else can you do to make ends meet with your budget?**

# Debt and Money Management

## Knowledge Review

1. Why do you need to know what's on your credit report?

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2. Why do you need to know how to budget?

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3. How can debt, both good and bad, cause you problems?

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4. Why are pay-day loans so expensive?

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5. What can you do instead of getting a pay day loan?

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# Debt and Money Management

6. Why is a *Debt Reduction Plan* important?

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7. What's the difference between fixed, flexible, and periodic expenses? Give two examples of each.

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8. Situation: Every month, you receive \$167 in food assistance. Why is food a flexible expense if you receive the same amount every month?

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9. What are needs, obligations and wants? Why is it important to know what yours are?

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10. Situation: Drew says that pets are a need for those who have them. Cary says that they are not a need. Explain why both people could be right.

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# Debt and Money Management

11. What can you do if you don't have enough money to meet all of your expenses?

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12. What are some advantages of having a written weekly budget?

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13. What are 2 advantages and 2 disadvantages of having a bank account?

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14. What are 2 advantages and 2 disadvantages of using pre-paid card?

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15. What have you learned about Debt Management and Money Management that you will use?

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