



BANK ON YOUR SUCCESS
SPECIAL EDITION

A black and white photograph of hands holding stacks of US dollar bills, serving as the background for the lower half of the page. The image is slightly blurred and has a dark overlay.

Budgeting During a Crisis

WORKBOOK

BANK ON YOUR SUCCESS SPECIAL EDITION

Budgeting During A Crisis

Join us for a special edition of Bank on Your Success focused solely on “Budgeting During a Crisis.” This interactive session will provide you with the tools you need to assemble a crisis budget and provide you with valuable take-away resources to help you and others.

CLICK HERE to connect to onUp.com and access the Budgeting During a Crisis article and excel budget.

WWW.ONUP.COM/BUDGETINGINACRISIS

DESCRIPTION

Due to unprecedented times, we’ve amended our traditional Budgeting Basics module to provide a special edition version that focuses solely on “Budgeting During a Crisis.”

While every individual situation is different, our goal is to provide you with crisis-budgeting best practices, ideas on creative income streams and information about resources available to help you during this time.

OUTLINE

Why Budget?: In and Out of Crisis

Creating a Crisis Budget

Identify Expenses
Money Going Out

Identify Income
Money Coming In

Cost Cutting

Creative Income Creation

Resources to Help

Looking to the Future



Why Budget?

There's always a need for planning, whether you are in a crisis or not. Budgeting allows you to have a clear understanding of your financial picture. That clear understanding enables you to make informed decisions about money and prioritize your spending and saving.

Creating a Crisis Budget

Budgeting when your income has stopped or is in jeopardy is different than regular budgeting. Instead of starting with your income and budgeting every dollar, determine the minimum needed to survive and then do all you can to find enough monthly income to cover those necessities. If you have any extra income this month, save it for future months.

STEP 1

Identifying Expenses

MUST-HAVE FIXED COSTS

Identify expenses that you absolutely need that are the same amount each month. While it may be tempting, it's best not to stop essential insurance coverage.

MUST-HAVE VARIABLE COSTS

Identify expenses that you absolutely need, but where the amount changes each month. This is the category that can easily get out of hand. Consider dividing groceries into weekly amounts and use cash to avoid overspending.

DEBT PAYMENTS

Do your best to make all your regular debt payments. Be proactive and call your creditors to see what payment relief options they may offer.

HAPPINESS SURVIVAL

While money may be tight now, give yourself some room to spend a few dollars on something that will bring you joy. Even a small treat can be nice to look forward to.

MY EXPENSES

| EXPENSE TYPE | | WEEKLY | MONTHLY | YEARLY |
|---------------------------------|-------------------------|--------|---------|--------|
| MUST-HAVE FIXED | Housing (Rent/Mortgage) | | | |
| | Health Insurance | | | |
| | Life Insurance | | | |
| | Car Insurance | | | |
| | Other Insurance | | | |
| | Other | | | |
| | Other | | | |
| TOTAL MUST-HAVE FIXED | | | | |
| MUST-HAVE VARIABLE | Electricity | | | |
| | Natural Gas | | | |
| | Basic Phone Plan | | | |
| | Groceries | | | |
| | Gas for Car | | | |
| | Childcare | | | |
| | Necessary Clothes | | | |
| | Other | | | |
| | Other | | | |
| TOTAL MUST-HAVE VARIABLE | | | | |
| DEBT PAYMENTS | Auto Loan | | | |
| | Student Loan | | | |
| | Credit Card | | | |
| | Other | | | |
| | Other | | | |
| TOTAL DEBT PAYMENTS | | | | |
| SANITY EXPENSES | Video Streaming Service | | | |
| | Personal Spending | | | |
| | Other | | | |
| | Other | | | |
| TOTAL SANITY EXPENSES | | | | |
| EXPENSES GRAND TOTAL | | | | |

COST CUTTING

How Can You Lower Your Expenses?

You'd be surprised how much money you can save when you decide to drastically reduce your spending during a time of crisis. Cutting unnecessary costs, and even reducing necessary ones, will help you avoid relying on debt and will reduce you're overall stress.

Use the chart below to see how much you can reduce your expenses. Get aggressive in cutting costs, this short-term sacrifice will be well-worth the effort.

| MONTHLY BUDGET ITEMS | NON-CRISIS | CRISIS |
|-------------------------------------|------------|--------|
| Mortgage/Rent | | |
| Insurance (Health, Life, Auto) | | |
| Utilities (Electricity, Water, Gas) | | |
| Emergency Savings | | |
| Cell Phone | | |
| Groceries | | |
| Gas for Car | | |
| Clothes | | |
| Entertainment & Eating Out | | |
| Dates & Outings | | |
| Pet Care | | |
| Subscriptions | | |
| Hobbies | | |
| Cable TV | | |
| Exercise/Gym | | |
| Lessons/Education | | |
| Personal Spending | | |
| Gifts | | |
| Retirement Contributions | | |
| Miscellaneous | | |
| TOTAL EXPENSES | | |
| Non-Crisis Expenses | | |
| Crisis Expenses | | |
| TOTAL YOU CAN SAVE | | |

COST CUTTING

Deferred Payments

DEFERRED PAYMENT

Payments that are completely or partially postponed for financial reasons.

Some lenders offer borrowers deferred payments. This means that you may not be required to make the monthly payment. Instead, the amount due will be delayed until the end of your loan. It is important to record payments you defer so that you know what you are expected to still pay in the future.

| PAYMENT TYPE | COMPANY | AMOUNT | NEXT DUE DATE | TOTAL AMOUNT DUE |
|--------------|---------|--------|---------------|------------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

STEP 2

Identifying Income

Sometimes during a crisis it can be difficult to find regular income. Don't give up - keep looking for full or part-time work until you can find it. In the meantime there are many ways to find the income you need to cover your monthly necessities.

REGULAR INCOME

Even during crises companies are looking for talented, full-time and/or part-time employees. There is no shame in taking a position that does not pay what you are used to making. Brush up that resume, make the tough phone calls, and do what you can to get some regular income rolling back in.

CREATIVE INCOME

There are many ways to make some extra cash when you need it. Contact businesses that are hiring temporary or part-time workers in your area. Think grocery stores, delivery services, or virtual meeting companies.

SELL POSSESSIONS FOR INCOME

Consider the things you are no longer using that others would be willing to purchase. Yard sales help, but you might even consider selling big-ticket items like a second car to help cover your expenses.

Cash Isn't Your Only Currency

Barter is an act of trading goods or services between two or more parties without the use of money (or a monetary medium, such as a credit card).

In essence, bartering involves the provision of one good or service by one party in return for another good or service from another party.

What are the skills or talents you have that someone else needs? What skill or talent does someone else offer that you need?



GREAT WITH KIDS?

Babysitting and childcare are in high demand as more people work from home



ARE YOU A GREAT COOK?

DO YOU SEW?



ARE YOU SKILLED AT FIXING THINGS?

Handyman, yard work, plumbing, mechanic

SECURING YOUR INCOME



| INCOME TYPE | | WEEKLY | MONTHLY | YEARLY |
|------------------------------------|-----------------------------|--------|---------|--------|
| REGULAR INCOME | Full-Time Work | | | |
| | Part-Time Work | | | |
| | Other | | | |
| | TOTAL REGULAR INCOME | | | |
| CREATIVE INCOME | Childcare | | | |
| | Delivery Services | | | |
| | Cleaning Services | | | |
| | Grocery Stores | | | |
| | Virtual Tutoring | | | |
| | Other | | | |
| TOTAL CREATIVE INCOME | | | | |
| SELL POSSESSIONS FOR INCOME | Sell a Car | | | |
| | Sell Electronics | | | |
| | Yard Sale | | | |
| | Other | | | |
| | Other | | | |
| | Other | | | |
| TOTAL CASH FROM SALES | | | | |
| TOTAL AVAILABLE INCOME | | | | |

STEP 3

Identifying Your Budget

Compare your income with your expenses to determine if you're living within your means. In the spaces below, fill in your total net income and then your estimated total monthly expenses. You'll determine whether you have a budget deficit or a budget surplus by subtracting your expenses from your income.

DEFICIT

Expenses are greater than income

SURPLUS

Income is greater than expenses so there is money left over to save

| | WEEKLY | MONTHLY | YEARLY |
|---------------------------|--------|---------|--------|
| TOTAL EXPENSES | | | |
| TOTAL INCOME | | | |
| BUDGET DEFICIT OR SURPLUS | | | |

If your income is greater than your expenses, you should be able to account for that excess. Have you been saving? Have you been purchasing goods and services not listed in your budget?

If your expenses are greater than your income, think about ways to reduce your expenses to correct the deficit.

onUp

onUp.com is the home of the onUp Movement with tools, tips and inspiration to help people become financially confident.

CLICK HERE to connect to onUp.com and access the Budgeting During a Crisis article and excel budget.

WWW.ONUP.COM/BUDGETINGINACRISIS

onUp.com

onUp.com is dedicated to real-life content around managing your money through articles, financial tools, and blogs.

onUpdates

Always-on content distribution program provides subscribers with biweekly financial education content emails to inspire brand loyalty and develop consumers' financial confidence.

The screenshot shows the onUp website interface. At the top, there is a navigation bar with the onUp logo, a search bar, and several menu items: BUILDING RESILIENCE, RESILIENCE TOOLKIT, PLANNING FOR THE FUTURE, THE ONUP MOVEMENT, and THE ONUP CHALLENGE. Below the navigation bar, there is a counter for 'Participants*' showing '5808532' and a 'JOIN THE MOVEMENT' button. The main content area is titled 'Resilience Toolkit' and includes a sub-header: 'Let's crunch some numbers and assess your money choices. Doesn't sound like the most fun thing in the world, right? Until you see it making a difference. Let's get started.' Below this, there are four featured articles or tools, each with a 'DOWNLOAD' or 'CALCULATE' button:

- How can you budget in a time of crisis?** (DOWNLOAD)
- How do you create a monthly budget?** (DOWNLOAD)
- What will it take to reach your savings goal?** (CALCULATE)
- The onUp Challenge** (LET'S GO)

Below these are four calculator tools, each with a 'CALCULATE' button:

- DEBT CALCULATOR**: What will it take to pay off your credit card balance? Calculate how quickly you can pay off your credit card debt based on either your desired timeframe or monthly payment.
- HOME CALCULATOR**: How much will your monthly mortgage payments be? Start your home-buying search by figuring out what you'd like your monthly mortgage payments to be.
- SAVINGS CALCULATOR**: Are you on track to reach your savings goal? Use this savings calculator to find out. Hint: Adjust the monthly amount you'll need to see how your progress could change.
- RETIREMENT CALCULATOR**: How will your retirement savings grow over time? Time is your friend when it comes to retirement planning. See how monthly contributions to your retirement savings grows over time.

Resources

The following pages provide some resources available to you to help you during this time.

US GOVERNMENT

www.usa.gov/coronavirus

Visit the website for detailed information on steps taken by the Federal Government to help the community. Information about travel, immigration, transportation, students loans and financial aid.

CENTER FOR DISEASE CONTROL

www.cdc.gov/coronavirus/2019-ncov

Visit the website for information on how to protect yourself, what to do if you are sick, and guidelines to slow the spread of COVID-19.

SMALL BUSINESS ADMINISTRATION RELIEF PROGRAMS

To apply bit.ly/SBLApp20/

For information bit.ly/SBLInfo

The Small Business Administration is offering several loans to provide relief to small business during the COVID19 pandemic. Small business owners including sole proprietorships (with or without employees or as independent contractors) and nonprofit organizations are eligible to apply for long-term, low-interest loan due to COVID19. The available loans are: 7(a) loan payment relief, Economic injury disaster loan (EIDL), Emergency Economic Injury Disaster Loan (EIDL) Advance, and Small Business "Paycheck Protection Program" (PPP).



BANK ON YOUR SUCCESS
LOOKING TO THE FUTURE

**WORKSHEETS
& RESOURCES**

Looking to the Future

As you come out on the other side of a crisis, we encourage you to continue best budgeting practices to for financial health. The following pages provide tools for non-crisis budgeting that will help you reach your financial goals.

WORKSHEETS INCLUDE:

Tracking My Expenses

Determining Your Disposable Income

What are Your Financial Priorities?

Goal-Setting Tips

Creating Short-Term and Long-Term Financial Goals

Controlling Your Debt



TRACKING MY EXPENSES



| EXPENSE TYPE | | WEEKLY | MONTHLY | YEARLY |
|-------------------------|----------------------------------|--------|---------|--------|
| PERSONAL & FAMILY | Day Care/Babysitting | | | |
| | Children's allowance | | | |
| | Child support | | | |
| | Clothing and shoes | | | |
| | Laundry/dry cleaning | | | |
| | Donations | | | |
| | Entertainment | | | |
| | Other | | | |
| PERSONAL & FAMILY TOTAL | | | | |
| FOOD | Groceries & household supplies | | | |
| | Meals out | | | |
| | Other | | | |
| | FOOD TOTAL | | | |
| DEBT PAYMENTS | Auto loan | | | |
| | Credit card | | | |
| | Department store credit card | | | |
| | Student loan | | | |
| | Personal loan | | | |
| | Other | | | |
| | DEBT PAYMENTS TOTAL | | | |
| HOUSEHOLD | Rent or mortgage | | | |
| | Second mortgage/home equity loan | | | |
| | Property taxes | | | |
| | Insurance | | | |
| | Homeowners association dues | | | |
| | Gas | | | |
| | Electric | | | |
| | Water | | | |
| | Trash | | | |
| | Telephone/cell phone | | | |
| | Home maintenance | | | |
| | Cable | | | |
| | Internet | | | |
| | Other | | | |
| HOUSEHOLD TOTAL | | | | |

Tracking My Expenses continues on the next page.

TRACKING MY EXPENSES
(CONTINUED)

| EXPENSE TYPE | | WEEKLY | MONTHLY | YEARLY |
|-----------------------------|------------------------------|--------|---------|--------|
| INSURANCE | Disability | | | |
| | Health | | | |
| | Dental | | | |
| | Vision | | | |
| | Life | | | |
| | Other | | | |
| | INSURANCE TOTAL | | | |
| MEDICAL | Doctor/chiropractor | | | |
| | Optometrist/glasses/contacts | | | |
| | Dentist | | | |
| | Prescriptions | | | |
| | Counseling/therapy | | | |
| | Other | | | |
| | MEDICAL TOTAL | | | |
| HOUSEHOLD | Auto insurance | | | |
| | Gas | | | |
| | Maintenance | | | |
| | Registration/smog check | | | |
| | Tolls/parking fees | | | |
| | Public transportation | | | |
| | Other | | | |
| | HOUSEHOLD TOTAL | | | |
| EXPENSES GRAND TOTAL | | | | |

DETERMINING YOUR DISPOSABLE INCOME



| INCOME TYPE | | WEEKLY | MONTHLY | YEARLY |
|-------------------------------|-----------------------------|--------|---------|--------|
| REGULAR INCOME | Full-Time Work | | | |
| | Part-Time Work | | | |
| | Other | | | |
| | TOTAL REGULAR INCOME | | | |
| TOTAL AVAILABLE INCOME | | | | |

Compare your income with your expenses to determine if you’re living within your means. In the spaces below, fill in your total net income and then your estimated total monthly expenses. You’ll determine your “disposable income” (which is any excess or deficit) by subtracting your expenses from your income.

| | |
|-----------------------|--|
| Total Net Income | |
| Total Monthly Expense | |
| Disposable Income | |

If your income is greater than your expenses, you should be able to account for that excess. Have you been saving? Have you been purchasing goods and services not listed in your budget?

If your expenses are greater than your income, think about ways to reduce your expenses to correct the deficit.

WHAT ARE YOUR FINANCIAL PRIORITIES?

SECTION A: There are many ways you can spend your money. The following questions will help you recognize what your financial priorities may be. Complete the following questions:

You just received your stimulus check for \$1200. What would you do with the money?

| | | |
|-------|------|-------|
| 1. \$ | FOR: | <hr/> |
| 2. \$ | FOR: | <hr/> |
| 3. \$ | FOR: | <hr/> |
| 4. \$ | FOR: | <hr/> |
| 5. \$ | FOR: | <hr/> |

You just lost your job. You must make spending cuts in your daily life. What can go?

| | | |
|-------|------|-------|
| 1. \$ | FOR: | <hr/> |
| 2. \$ | FOR: | <hr/> |
| 3. \$ | FOR: | <hr/> |

SECTION B: Are you clear about the lifestyle you’d like to live? Do you have a clear vision of your future? Your money should serve your vision. Using the chart below, determine your vision of the future. First, list the various financial priorities you have. Then, rank these items using a scale of 1–5 (1 being the lowest, 5 being the highest) to determine what is most important to you. Once you’ve ranked them, list the reason(s) for your ranking.

| FINANCIAL PRIORITY | PRIORITY RANKING | REASONS |
|--------------------|------------------|---------|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

GOAL-SETTING TIPS

It's important to create financial goals that are **SMART** — Specific, Measurable, Attainable, Relevant and Time-Sensitive. Let's take a look at how each of the letters in the word SMART is defined:

SPECIFIC: Be as specific with your goals as possible — setting vague goals won't give you the results you desire. If you want to go on a nice vacation with your family, your goals may be stated as, "I would like to go on a vacation to Orlando with my family in December." Notice by saying "to Orlando" and "in December" makes this goal more specific than "a nice vacation with my family."

MEASURABLE: If you don't measure your goal, you won't know whether you've achieved it. In the example we used, stating you want to go to Orlando in December gives you a way to measure your goal. So, in December, if you've gone on vacation to Orlando, you'll know if you've achieved your goal.

ATTAINABLE: While it's good to have to work hard to accomplish your goals, you should be careful not to set goals that may be impossible to achieve. In our example, if you also have a goal of paying off your debt, you may not be able to reach the goal of going on vacation to Orlando by December. This doesn't mean the goal isn't valid; you may just need to push the goal out further, maybe to December of the following year.

RELEVANT: Is the goal worthwhile? Will it help you meet your financial priorities? If taking a vacation is not one of your financial priorities, you may want to rethink a goal to go on a vacation to Orlando.

TIME: Every goal you set should have an ending; otherwise, how will you know if you've accomplished your goal? In our example, December is the time frame for completion.

CREATING SHORT-TERM AND LONG-TERM FINANCIAL GOALS

To get started on your journey toward a better life, you must set reasonable short-term and long-term goals.

SHORT-TERM GOALS: Goals that will be accomplished anywhere from six to 12 months.

LONG-TERM GOALS: Goals established for more than one year and less than 10 years. These goals should answer the questions: Where do I see myself financially in one year? In five years? In 10 years?

In the spaces below, create two financial long-term goals you'd like to accomplish based on the priorities you outlined previously. Then, create two or three short-term goals to help you accomplish each of your long-term goals.

LONG-TERM GOAL #1 _____

Short-Term Goal: _____

Short-Term Goal: _____

LONG-TERM GOAL #2 _____

Short-Term Goal: _____

Short-Term Goal: _____

Short-Term Goal: _____

REMEMBER to set **SMART** financial goals!

CONTROLLING YOUR DEBT

It's time to take control of your debt! In the following spaces provided, list all of the debt you have — be as specific as you can.

| CREDITOR | TYPE OF LOAN | CURRENT BALANCE | MINIMUM MONTHLY PAYMENT |
|----------|--------------|-----------------|-------------------------|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

Rank your debt below — from the smallest balance to the largest balance:

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____

Can you make more than the minimum monthly payment each month on your smallest debt? YES NO

If yes, how much more will you commit to paying toward the principal on that loan? \$ _____ .

If no, once you pay off the smallest amount of debt you have, move down the list to the next smallest and so forth.

CONTROLLING YOUR DEBT

Why is paying down your debt so important? The following are some of the benefits people have experienced from paying down their debt:

INCREASED FINANCIAL SECURITY

Debt will keep you from making the most of your money. What you spend on debt payments could be used for many other things, such as retirement, funding a college education or just general savings.

LIFE ENJOYMENT

Many times people cannot afford to do something they really want to do because of the debt they have, and unfortunately, they use more debt to make purchases to get what they want. Then, they have even more debt and less disposable income — the cycle just continues. By paying down your debt, you'll have more money to do what you really want to do in your life.

REDUCED STRESS

How are you going to pay your bills? If you have this stress every month, you know how overwhelming debt can be. Some stress is fine, but constant stress can lead to serious health issues.

IMPROVED CREDIT SCORE

By paying down your debt, you should see your credit score improve, therefore, making a major purchase even easier (such as a home or car).

OWNED ASSETS

Until you make the last payment on your car or your home, the creditor (usually a bank) owns that asset, not you. Being debt free means you'll own the car you drive or the house you live in — and even the clothes you wear.



APPENDIX & GLOSSARY





BARTER - The act of trading goods or services between two or more parties without the use of money (or a monetary medium, such as a credit card).

In essence, bartering involves the provision of one good or service by one party in return for another good or service from another party.



BUDGET - An estimation of revenue and expenses over a specified future period of time and is usually compiled and re-evaluated on a periodic basis.



DEBT - An amount of money borrowed by one party from another.



DEFERMENT PERIOD - An agreed-upon time during which a borrower does not have to pay the lender interest or principal on a loan.



DEFICIT - When the sum of expenses is greater than income



DISPOSABLE INCOME - The amount left over after subtracting all required expenses and deductions from income.



EXPENSE - The cost required for something; the money spent on something.



FORBEARANCE - The temporary postponement of mortgage payments granted by the lender or creditor in lieu of forcing a property into foreclosure.



INCOME - Money (or some equivalent value) that an individual or business receives, usually in exchange for providing a good or service or through investing capital. For individuals, income is most often received in the form of wages or salary.



NET INCOME - Also referred to as net profit, net earnings or the bottom line — is the amount an individual earns after subtracting taxes and other deductions from gross income. For a business, net income is the amount of revenue left after subtracting all expenses, taxes and costs.



SURPLUS - The amount of money left over when expenses have been paid