



MODULE 5:
Your Savings

INSTRUCTOR GUIDE



MONEY SMART for Adults

SEPTEMBER 2018



The Federal Deposit Insurance Corporation is an independent agency created by the Congress to maintain stability and public confidence in the nation's financial system. One way we do that is by providing free, non-biased financial education materials, including this Instructor Guide. For more information about our family of Money Smart products, visit www.fdic.gov/moneysmart.

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Background Information for Instructors

Welcome to the FDIC's Money Smart for Adults!

This is the Instructor Guide for **Module 5: Your Savings**. This module consists of three tools:

- This Instructor Guide
- The Participant Guide—for participants to use during training and refer to after training
- The PowerPoint slides—for you to use during the training

The curriculum also includes a *Guide to Presenting Money Smart for Adults*. This resource offers practical tips for marketing your training, setting up your training space, supporting participants with disabilities, and delivering the training. It also offers learning pathways to help you choose modules and perhaps sections within modules to include in the training. If you don't already have the *Guide to Presenting Money Smart for Adults*, download it at www.fdic.gov/moneysmart.

Training Preparation Checklist

Use this checklist to prepare for training.

- Review the Instructor Guide, Participant Guide, and PowerPoint slides** to learn how they work together.
- Familiarize yourself with the topics.** The Instructor Guide includes scripting to help you explain core content. You can read the scripting as-is to participants. Or, you can present the information in your own style.
- Review the *Try It* and *Apply It* activities in the Participant Guide.** Every module includes both types of activities. Many are designed to be included during the training session. Others are flagged with a Note to Instructor that gives you the option of reviewing, starting, or completing them during the training, or encouraging participants to complete them after training.

Activities make the training more engaging and help participants retain the material. It's generally better to cut content rather than activities if you are short on time.

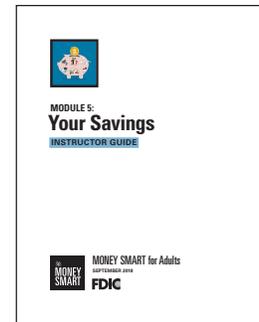
- **Review the *Guide to Presenting Money Smart for Adults*** for tools and information that can help you plan and deliver training. This resource includes information on making your training accessible and welcoming to all participants, including participants with disabilities.
- **Select the materials that you plan to use.** Ideally, do so by considering the needs or goals of the participants. The *Module at a Glance Table* near the front of each Instructor Guide can help you decide whether to cover modules in their entirety or only certain sections of the modules.
- **Plan to make your training culturally appropriate.** This means communicating respectfully, and also presenting the material in a way that is relevant to the lives of participants.
 - For example, when you discuss ways to cut expenses, participants may not relate to cutting out a daily coffee purchase if they don't normally buy coffee every day. Use examples participants can relate to, which may be different from examples from your own experience.
- **Consider having each of your training sessions include:**
 - **An overview:** Welcome participants and explain the training purpose and objectives. Provide a quick orientation to materials.
 - **An introductory activity:** Energize participants with a fun activity to introduce them to one another and get them ready to learn. This can be an effective way to start training, especially if it is the first time the group has been together. See the *Guide to Presenting Money Smart for Adults* for optional introductory activity ideas.
 - **Pre- and post-training surveys:** Administer the pre-training survey before training starts and the post-training survey at the end of training. Using the surveys can help you evaluate training effectiveness and tailor your training approach for future sessions.
- **Give each participant a Participant Guide.** Consider making it available electronically if you cannot provide paper copies. Also, some participants may need it electronically as a reasonable accommodation. If you deliver only part of a module, you might want to provide only those sections of the Participant Guide. Hide the slides you won't be using. The *Guide to Presenting Money Smart for Adults* has more information on hiding slides.

Materials You May Need

- This Instructor Guide
- Copies of the Participant Guide
- The PowerPoint slides, and either:
 - Computer, projector, and screen for projecting the slides, or
 - Printed or electronic copies of the slides for participants
- Flip chart(s) and/or whiteboard(s)
- Markers for writing on flip chart(s) and/or whiteboard(s)
- Large self-adhesive notes (5" x 8"), card stock, or paper for making signs
- Tape that can be easily removed from the wall, such as painter's tape
- Pens or pencils for participants

Optional Materials:

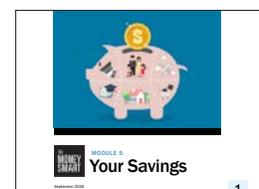
- Parking Lot for questions—Create one by writing "Parking Lot" on the top of a flip chart or whiteboard
- Supplies for the Optional Introductory Activity—Choose an activity from the *Guide to Presenting Money Smart for Adults* or use your own



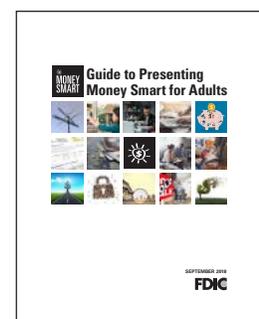
Instructor Guide



Participant Guide



PowerPoint slides



Guide to Presenting Money Smart for Adults

Understanding the Icons

This Instructor Guide uses several icons to help you quickly navigate the training.

 Do	Actions you take as the instructor
 Say	Information you share verbally with participants
 Ask	Questions you pose to participants
 Share Key Takeaway	When you convey the primary message of a section
 Lead Discussion	When you facilitate discussions
 Lead Activity	When you facilitate activities
 Present Information	When you present information
 Take Action and Closing	When you help participants plan action steps to apply what they learned
 Scenario	When you use a short story to start a discussion or activity about a financial topic

Module Purpose

This module covers how participants can save money for their goals, large purchases, and unexpected expenses. It does not cover investments.

This module also:

- Reviews options for where to build your savings
- Discusses options for individuals receiving public benefits to build assets

Module at a Glance Table

You can cover all or only part of this module.

We estimate you need **2 hours and 45 minutes** to cover the entire module, not including breaks or an optional introductory activity. You can use this table to select sections based on the time you have available and the needs of participants.

The *Guide to Presenting Money Smart for Adults* includes additional information on selecting sections for specific audiences.

Section	Key Takeaway	Purpose / Objectives	Time
Module Opening	N/A	<ul style="list-style-type: none"> ▪ Welcome participants ▪ Administer the pre-training survey ▪ Lead an Optional Introductory Activity (extra 5 to 20 minutes) 	10 minutes
Section 1: What is Saving?	Set aside some money every time you get income. Regularly saving money, even if only a small amount, can make a big difference over time.	Participants will be able to: <ul style="list-style-type: none"> ▪ Explain what saving is and why saving money is important ▪ List ways to find money to save 	25 minutes
Section 2: Where to Build Your Savings	Consider the advantages and disadvantages of savings options before choosing where to build your savings.	Participants will be able to: <ul style="list-style-type: none"> ▪ List advantages and disadvantages of places to put savings ▪ Explain the benefits of saving money in a federally insured savings account ▪ Estimate how long it would take to double money using the Rule of 72 	40 minutes

continued on next page

Module at a Glance Table *continued*

Section	Key Takeaway	Purpose / Objectives	Time
Section 3: Saving for Unexpected Expenses	An emergency savings fund is part of the foundation of financial health. Setting aside \$500 to \$1,000 can cover many unexpected expenses.	Participants will be able to: <ul style="list-style-type: none"> ■ Explain why saving money for unexpected expenses is important ■ List potential changes to income and expenses and how those relate to savings goals 	20 minutes
Section 4: Saving for Your Goals	Create a plan to save money for your goals.	Participants will be able to: <ul style="list-style-type: none"> ■ Set savings goals using the SMART framework ■ Calculate how much money to save periodically based on the total savings goal and the time available for saving ■ List potential changes to income and expenses 	35 minutes
Section 5: Saving and Public Benefits	Some public benefits may be reduced or removed when you exceed income or asset limits. However, some special accounts enable people to save more money without losing eligibility for their benefits.	Participants will be able to: <ul style="list-style-type: none"> ■ List some public benefit programs that determine eligibility for benefits based on a person's income and other resources ■ Explain how special accounts enable some people to save more money for specific goals without losing eligibility for means-tested public benefits 	25 minutes
Module Closing	N/A	<ul style="list-style-type: none"> ■ Review the key takeaways ■ Help participants think about how they will apply what they learned ■ Administer the post-training survey 	10 minutes

Module Opening

Welcome Participants as They Arrive

Time Estimate for This Section: 10 minutes

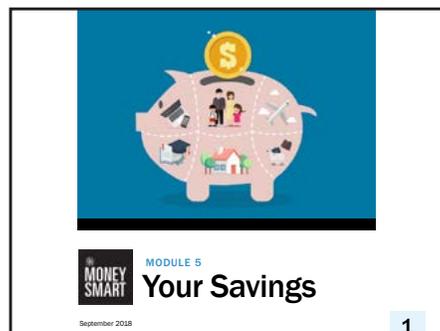
SHOW SLIDE 1



DO

As participants arrive for the training, use this time to:

- Welcome them and introduce yourself
- Ask them to sign in for the training if you are using a sign-in sheet
- Ensure any requested reasonable accommodations are in place and make any necessary adjustments



LEAD ACTIVITY

Pre-Training Survey

See page 33 in the Participant Guide.

Note to Instructor: Before training starts, you can ask participants to complete the pre-training survey in the back of their Participant Guide. You may want to give them “loose” copies so they don’t have to tear them out. The knowledge questions are the same as those in the post-training survey.

The answer key is at the end of this Instructor Guide, but don’t share the answers now.

You may decide to compare pre-training surveys to post-training surveys to estimate knowledge gains of the entire group or for each participant. If you want to estimate by participant, ask them to write their last name or some other unique identifier on both their pre- and their post-training surveys so you can compare them for a given participant.

SHOW SLIDE 2**SAY**

- Thank you for coming to this Money Smart Training called **“Your Savings.”**
- Please complete the pre-training survey on page 33 of your Participant Guide to give me an idea of what you may already know about this topic.

Pre-Training Survey
See page 33 in your Participant Guide

Pre-Training Survey
Your instructor may ask you to complete this pre-training survey before the training begins.
Please answer these questions:

	True	False
1. If you receive public benefits, you cannot save money.		
2. Your goals and financial decisions are not related to each other.		
3. Saving money is a foundation of financial health. Small amounts can make a big difference over time.		
4. There is only one place you can put your savings.		
5. Building savings is only helpful if you can save at least \$2,000.		
6. Which of the following will help you build savings? Choose all that apply. a. Buying a car on sale then using those savings to buy a bike.		

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**DO**

- Collect the completed surveys if you plan to review them or compare them to post-training surveys.



PRESENT INFORMATION

Parking Lot and Participant Guide**SAY**

- I've created a Parking Lot to capture questions, concerns, ideas, and resources. You and I can add items anytime during the training, and I'll address them during breaks or at the end of training.
- You have a Participant Guide to use during and after this session. It's yours to keep, so you can take notes and write in it.



LEAD ACTIVITY

Optional Introductory Activity

Adds an additional 5 to 20 minutes, depending on the activity you select and the number of participants

**DO**

- Lead participants through an introductory activity.
- Time permitting, you may also want to show a short video related to the subject of this module or start with an “energizer” of your choice.

Note to Instructor:

If time permits, start the training with a fun activity from the *Guide to Presenting Money Smart for Adults* or use your own.

This is a great way to get participants energized and ready to learn!



Section 1: What is Saving?

Training Time Estimate for This Section: 25 minutes

Objectives

Participants will be able to:

- Explain what saving is and why saving money is important
- List ways to find money to save



PRESENT INFORMATION (1 MINUTE)

Introduction to Section and Key Takeaway

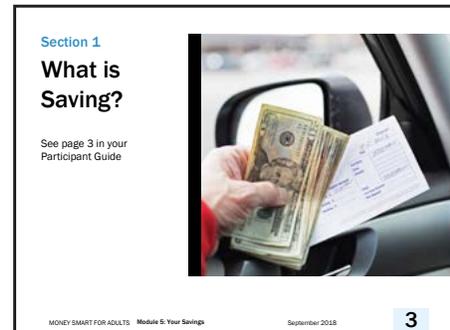
See page 3 in the Participant Guide.

SHOW SLIDE 3



SAY

- We will discuss what it means to save, the reason saving money is important, and ways to find money to save.
- By the end of this section, you will be energized about saving money!

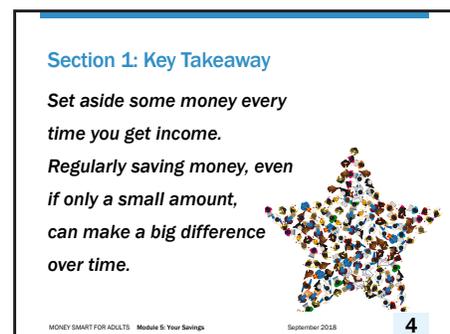


SHOW SLIDE 4



SAY

- The key takeaway from this section is: **Set aside some money every time you get income. Regularly saving money, even if only a small amount, can make a big difference over time.**



LEAD ACTIVITY (2 MINUTES) - SMALL GROUP DISCUSSION

Defining Saving

See page 3 in the Participant Guide.

SHOW SLIDE 5



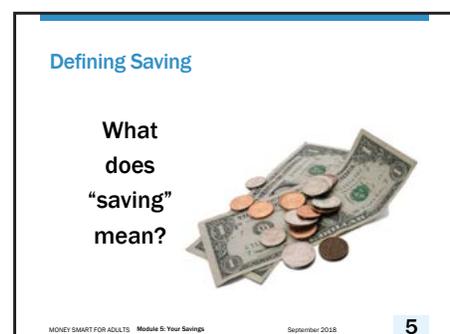
ASK

- What does "saving" mean?
- You can take notes in your Participant Guide on page 3.



SAY

- Saving means setting aside a portion of any money you earn or receive. This includes income, gifts, and tax refunds.
- It does not have to be a large portion. Regularly saving money, even small amounts, can add up over time.



- Saving does not mean you neglect to pay your rent and other obligations.

**ASK**

- Is spending less money the same as saving money?

SHOW SLIDE 6**SAY**

- Spending less money is the same as saving money only if you save what you didn't spend.
- Remember, saving is setting aside some of your money today for use in the future.
- For example, if you buy a coat marked down from \$60 to \$40, it may seem like you saved \$20. But you aren't building your savings unless you put the \$20 you did not spend into your savings fund.

Is Spending Less Money the Same as Saving Money?

- Only if you save what you didn't spend
- Saving is setting aside money today for the future
- To build savings → Spend less money and put some or all of what you didn't spend into savings



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LEAD ACTIVITY (12 MINUTES) – VOTE

Why Save Money?

See page 4 in the Participant Guide.

Note to Instructor: This activity is a vote. Participants vote for one of several alternative choices. As the instructor, you can use the results of the vote as a springboard for discussion. You can make observations about what gets the most votes and also invite participants to explain their votes.

For an alternative activity, if participants have access to smartphones, you could use an online polling app or program to conduct the vote.

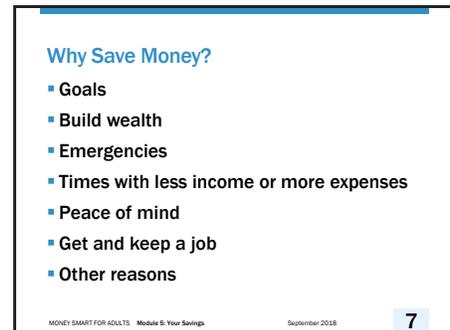
**DO**

- Make simple signs using paper and markers as follows:
 1. Goals
 2. Build wealth
 3. Emergencies
 4. Cover times with less income or more expenses
 5. Peace of mind
 6. Get and keep a job
 7. Other

- Place the signs around the room so they are readily visible. If you have only a few participants or a small group, consider using only some of the items on this list.
- You can use this activity with participants moving around the room. Or, participants can remain at their tables and they can vote by raising their hands or indicating their preference in another way.

SHOW SLIDE 7**SAY**

- I've placed seven signs around the room.
- Each sign lists a reason to save money.
 - You can save money for your goals, to build wealth, for emergencies, to cover times when you have less income or more expenses, for peace of mind, to get and keep a job, or for other reasons.
- For the first one, goals, think about things like saving money for your or your child's education, moving out of your parents' home, and other goals.
- Vote for the reason that is most important to you by standing near it (or vote in another way).
- If you vote for "Other," be prepared to share what you mean by other.
- There are no right or wrong answers to this activity.


DO

- Facilitate a discussion by asking participants:
 - Why was this reason most important to you?
 - Was it hard to choose among the reasons listed?
 - What other reasons did you consider?
 - How does this reason motivate you to save money?



LEAD ACTIVITY (10 MINUTES) – SCENARIO

Try It: Finding Money to Save

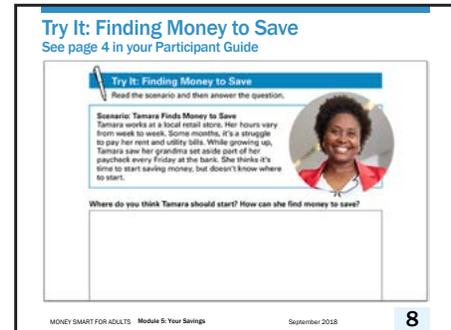
See page 4 in the Participant Guide.

SHOW SLIDE 8



DO

- Ask participants to turn to *Try It: Finding Money to Save* in your Participant Guide on page 4.
- Read the scenario to participants or ask for a volunteer to do so.



SCENARIO: Tamara Finds Money to Save

Tamara works at a local retail store. Her hours vary from week to week. Some months, it's a struggle to pay her rent and utility bills. While growing up, Tamara saw her grandma set aside part of her paycheck every Friday at the bank. She thinks it's time to start saving money, but doesn't know where to start.



SAY

- In small groups, take five minutes to discuss the question below the scenario: **Where do you think Tamara should start? How can she find money to save?**
- Think about ways you have saved money.



DO

- After five minutes, ask groups to share their ideas and write responses on a flip chart or whiteboard.



SAY

- Many of us can relate to Tamara in being unsure if we can afford to save any money and how to start. This is especially true if we're trying to pay down debt.
- Even if Tamara is saving only small amounts of money, she's made a start and developed a habit of saving.



PRESENT INFORMATION (9 MINUTES)

Apply It: My Quick Tips for Finding Money to Save

See page 5 in the Participant Guide.

SHOW SLIDE 9



SAY

- Turn to *Apply It: My Quick Tips for Finding Money to Save* in your Participant Guide on page 5.
- With a partner, take five minutes to review this list. Try to find at least one idea in the list that is new to you, and one that you think you could try. Then add ideas for saving money that aren't on the list. Be prepared to share your answers.



DO

- After five minutes, ask participants to share the results of their discussions. Write their ideas for adding to the list on a flip chart or white board.
- Invite participants to write these new ideas in their Participant Guide on page 7.



Apply It: My Quick Tips for Finding Money to Save

Check the strategies you think could work for you.

For any strategy that helps you spend less, you must take what you didn't spend and set it aside where you keep your savings. That is how you build savings.

- ATM Savvy!** Ask your financial institution what automated teller machines (ATMs) you can use without paying a fee. If you were paying ATM fees in the past, put the amount of the fees you avoided into your savings.
- Bank on It!** Shop around and open a free or low cost checking account at a financial institution. If you save money, perhaps by not paying fees to cash checks, put that money into your savings.
- Brand Bias!** Before you buy something, consider whether you are paying more money only to get the brand name. It may be worth the extra cost, but sometimes a different brand or generic item can be just as good, or even better. If you spend less money, add it to your savings.

Apply It: My Quick Tips for Finding Money to Save *continued*

- Count Your Coins!** Save your change at the end of the day. Put it into your savings weekly or monthly.

- Direct Deposit!** Make savings automatic. If you receive a paycheck, ask your employer if you can have part of your paycheck directly deposited into a savings account.

- Do I Need It?** Consider needs versus wants. Think about the items you purchase on a regular basis. Where can you save some money and add it to your savings?
 - Do you get carry-out, buy prepared foods, or eat out at restaurants a lot?
 - Can you cut back on any daily expenses?
 - Do you have services you do not really need or don't use?
 - Are you paying subscription fees for something you can live without or no longer use?

- Free Fun!** Look for free entertainment—libraries, parks, festivals, and more. If you would have gone to the movies but go to the park instead, set aside the price of the movies and add it to your savings.

- Goals for Gifts!** Set gift-giving limits with family and friends you regularly exchange gifts with. Remember to consider the gift of time, too. Figure out what you usually would have spent and put half of that amount in savings.

- If It's Not on the List, It Doesn't Exist!** Stick to a shopping list. Put money you wanted to spend on something not on your list into your savings.

- Is it Worth It?** Calculate the cost of a purchase by the hours you will have to work to pay for it versus the price. For example, if your take home pay is \$8 per hour and you want to buy a clothing item for \$80, it would take 10 hours of work to get it. Is this a good value to you? Set aside the money you would have spent and add it to your savings.

- Loan to You!** Keep making the monthly payments to yourself (add to your savings) once you have paid off a loan. Save that money for your goals.

- Make it Automatic!** Set up an automatic transfer to a savings account from a checking account. Automatic transfers on a set schedule can help you save money before you spend it.

Apply It: My Quick Tips for Finding Money to Save *continued*

- No Fees!** Pay your bills on time. If you have been paying late fees, put the amount of the fees you avoided into your savings.

- Sales Savvy!** Sometimes a product on sale or that has a coupon may be more expensive than a similar product. Set aside the money you don't spend and add it to your savings.

- Save for the Future and Save Money!** Participate in a retirement plan (such as a 401(k) or 403(b) plan) if your employer offers one. Employers will often match at least some of your contributions. Self-employed people have options too. And, if your contributions are tax-deductible, the money you save in taxes means your take-home pay may not drop much.

- Save Gifts!** Save at least part of any gift of money you receive.

- Save Tax Refunds!** Save as much of your tax refund as possible. Choose to receive your tax refund via direct deposit. You can split it between a maximum of three different checking and/or savings accounts. You can also choose to use part of your refund to purchase a U.S. Savings Bond.

- Start Small!** By consistently saving small amounts every time you receive income, your savings account will grow. You will be motivated to try to save even more. Even that spare change you put once a month into a savings account can add up faster than you think. Some people call this "paying yourself first" because when you first get income, you put some of it into your savings.

- Take a Pause!** Wait 24 hours before buying something you want but don't need. If you don't buy it, put half of that amount in savings.

- Won't Miss It!** Every time you get a raise or bonus at work, put some or all of that "extra" money into your savings.

- Penny for Your Thoughts!** Can you think of other ideas for building your savings?



PRESENT INFORMATION (1 MINUTE)

Section Closing

See page 7 in the Participant Guide.

SHOW SLIDE 10



SAY

- Remember the key takeaway from this section: **Set aside some money every time you get income. Regularly saving money, even if only a small amount, can make a big difference over time.**

Section 1: Remember the Key Takeaway

Set aside some money every time you get income.

Regularly saving money, even if only a small amount, can make a big difference over time.



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Section 2: Where to Build Your Savings

Training Time Estimate for This Section: 40 minutes

Objectives

Participants will be able to:

- List advantages and disadvantages of places to put savings
- Explain the benefits of saving money in a federally insured savings account
- Estimate how long it would take to double money using the Rule of 72



PRESENT INFORMATION (1 MINUTE)

Introduction to Section and Key Takeaway

See page 8 in the Participant Guide.

SHOW SLIDE 11



SAY

- We will discuss options for where you can build your savings.

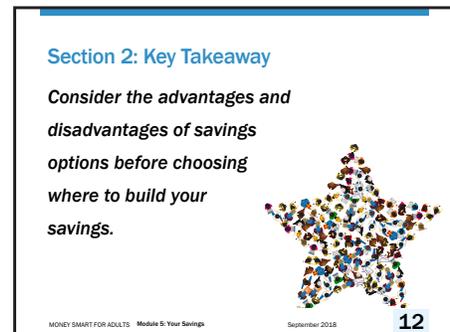


SHOW SLIDE 12



SAY

- The key takeaway from this section is: **Consider the advantages and disadvantages of savings options before choosing where to build your savings.**



PRESENT INFORMATION (1 MINUTE)

Where to Put Your Savings

See page 8 in the Participant Guide.

SHOW SLIDE 13



SAY

- There are several options for where you can put and build your savings.
- For each savings option, there are advantages and disadvantages.





LEAD ACTIVITY (15 MINUTES) – BRAINSTORM

Advantages and Disadvantages of Savings Options

See page 8 in the Participant Guide.

SHOW SLIDE 14



DO

- Break the participants into small groups.
- Assign each group one of these five topics. If you have more than five groups, assign the same topic to more than one group.
 1. Home
 2. Friend or family
 3. Prepaid card
 4. Rotating savings and credit association (ROSCA)
 5. Savings account (an account at a financial institution that is not the same as the account you use regularly)
- Give each group a piece of flip chart paper.
 - Ask them to write their topic at the top as a title.
- Tell them to draw a giant “T” on the paper below the title.
- Have them write “Advantages” on the left side of the “T” and “Disadvantages” on the right.

Small Group Discussion

- Home
- Friend or family
- Prepaid card
- Rotating savings and credit association (ROSCA)
- Savings account

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Note to Instructor: A ROSCA is a group of people who get together regularly to contribute money into a savings fund. Each member gets the money in the savings fund on a scheduled basis. These groups go by different names around the world, such as lending circle, tanda, or hui. They may have other features as well. The programs are all based on trust among group members.



SAY

- Let’s think together in small groups about the advantages and disadvantages of each of these places to put your savings.
- Take three minutes to brainstorm your topic. Write the advantages on the left and the disadvantages on the right.

- Be prepared to present the results of your small group's discussion to the larger group.
- After three minutes, ask each group, in turn, to present their topic, starting with "Home." Then show the relevant slide for that topic and share any ideas the group did not mention.

SHOW SLIDE 15**DO**

- Add these ideas about "Home" if not mentioned:

Home	
Advantages	Disadvantages
<ul style="list-style-type: none"> • No fees • No rules • No additional costs to maintain • Convenient • Easy-to-access 	<ul style="list-style-type: none"> • Can be lost or stolen • Can be destroyed in fire, flood, or other disaster • Easy-to-access

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Home**Advantages**

- No fees
- No rules
- No additional costs to maintain
- Convenient
- Easy-to-access

Disadvantages

- Can be lost or stolen
- Can be destroyed in fire, flood, or other disaster
- Easy-to-access

SHOW SLIDE 16**DO**

- Add these ideas about "Friend or Family" if not mentioned:

Friend or Family	
Advantages	Disadvantages
<ul style="list-style-type: none"> • No fees • No additional costs to maintain • May be convenient • May keep you from spending the money so you can build savings 	<ul style="list-style-type: none"> • Can be lost or stolen • Can be destroyed in fire, flood, or other disaster • May strain relationship if something happens to the money

MONEY SMART FOR ADULTS Module 5: Your Savings September 2018 **16**

Friend or Family

Advantages	Disadvantages
<ul style="list-style-type: none"> ■ No fees ■ No additional costs to maintain ■ May be convenient ■ May keep you from spending the money so you can build savings 	<ul style="list-style-type: none"> ■ Can be lost or stolen ■ Can be destroyed in fire, flood, or other disaster ■ May strain relationship if something happens to the money

SHOW SLIDE 17**DO**

- Add these ideas about “Prepaid Card” if not mentioned:

Prepaid Card	
Advantages	Disadvantages
<ul style="list-style-type: none"> • Easy to get • Electronic/online functionality • Convenient • Might be able to directly deposit wages onto the card and automatically move funds from the card to savings 	<ul style="list-style-type: none"> • Fees • Theft or loss—review card agreement to find out if you are protected from theft or loss • Might not have federal deposit insurance • Might not be possible to easily move money to savings • Might have an expiration date

MONEY SMART FOR ADULTS Module 5: Your Savings September 2018 **17**

Prepaid Card

Advantages	Disadvantages
<ul style="list-style-type: none"> ■ Easy to get ■ Electronic/online functionality ■ Convenient ■ May be able to directly deposit wages and automatically move funds to savings 	<ul style="list-style-type: none"> ■ Fees ■ Theft or loss—review card agreement to find out if you are protected from theft or loss ■ Might not have federal deposit insurance ■ Might not be possible to easily move money to savings ■ Might have an expiration date

SHOW SLIDE 18**✓ DO**

- Add these ideas about “Rotating Savings and Credit Association (ROSCA)” if not mentioned:

Rotating Savings and Credit Association (ROSCA)	
Advantages	Disadvantages
<ul style="list-style-type: none"> • Commitment to group to save on a schedule • Can't easily access money • Get a lump sum of money at a known date 	<ul style="list-style-type: none"> • Theft or loss due to group mismanagement of funds • Depending where funds are kept, might not have federal deposit insurance • Group members might not make their deposits when required • Group may become too large

MONEY SMART FOR ADULTS Module 5: Your Savings September 2018 **18**

Rotating Savings and Credit Association (ROSCA)

Advantages	Disadvantages
<ul style="list-style-type: none"> ■ Commitment to group to save on a schedule ■ Can't easily access money ■ Get a lump sum of money at a known date 	<ul style="list-style-type: none"> ■ Theft or loss due to group mismanagement of funds ■ Depending where funds are kept, may not have federal deposit insurance ■ Group members might not make their deposits when required ■ Group may become too large

SHOW SLIDE 19



DO

- Add these ideas about "Savings Account" if not mentioned:

Savings Account	
Advantages	Disadvantages
<ul style="list-style-type: none"> • Deposits in federally insured financial institutions insured up to \$250,000 by FDIC (banks) or NCUA (credit unions) • May be able to directly deposit wages into account • May be able to automatically move money from checking to savings • May earn interest • Easy-to-access • Establish a banking relationship 	<ul style="list-style-type: none"> • Monthly/recurring fees can vary • Not always best option for saving money for long term goals because interest you earn may be lower than with other options • A financial institution may not be available or you may not have access to online banking or want to use it • May have limited number of withdrawals

MONEY SMART FOR ADULTS Module 5: Your Savings September 2018 **19**

Savings Account

Advantages	Disadvantages
<ul style="list-style-type: none"> ■ Deposits in federally insured financial institutions insured up to \$250,000 by FDIC (banks) or NCUA (credit unions) ■ May be able to directly deposit wages into the account ■ May be able to automatically move money from checking account to savings account ■ May earn interest ■ Easy-to-access ■ Can help establish a banking relationship 	<ul style="list-style-type: none"> ■ Monthly/recurring fees can vary ■ Not always best option for saving money for long term goals because interest you earn may be lower than with other options ■ A financial institution may not be near you or you may not have access to online banking or want to use it ■ May have limited number of withdrawals



PRESENT INFORMATION (3 MINUTES)

Other Places for Savings

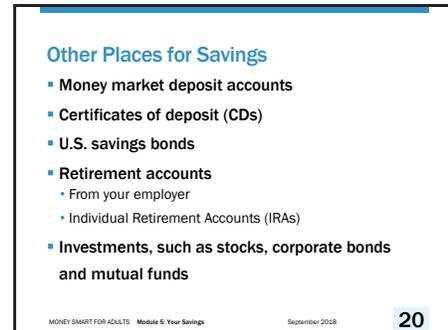
See page 10 in the Participant Guide.

SHOW SLIDE 20



SAY

- There are other places to save your money as well.
- A **money market deposit account** is often available from a federally insured financial institution. It is an account that generally offers a higher rate of interest than you would earn with a savings account.
 - You generally have to keep a higher minimum balance than with a savings account.
 - You may be limited to the number of deposits and withdrawals you can make in a month.
- A **certificate of deposit (CD)** typically offers a higher rate of interest than a savings account.
 - You agree to keep the money untouched for several months or several years.
 - The longer you promise to keep your money in the account, the higher the interest rate.
 - If you withdraw your money early, you will likely lose some of the interest you earned.
- For longer-term goals, you could consider **U.S. savings bonds**.
 - You can purchase a savings bond with as little as \$25.00 through www.treasurydirect.gov.
 - You need to hold a savings bond at least one year before cashing it. If you cash a bond in the first five years of owning it, you will lose three months of interest.
- Contributing to a **retirement account** is another way to save money for the long-term. Retirement accounts help provide financial security for when you are no longer working.
 - Keep in mind that you can start with a small amount and then increase it later. The important thing is to get started.
 - If your contributions are tax-deductible, the money you save in taxes means your take-home pay may not drop much.
 - If your employer offers a retirement plan, find out how it works. If your employer has a plan and offers to put some money in if you do (called a match), try to save as much as you can to get the full match.



- » Make sure you understand how a job change might affect your employer-based retirement plan.
- » Even if your employer offers a plan, it's still a good idea to save in both the employer plan and on your own.
- If your employer does not offer a plan, explore **IRAs (Individual Retirement Accounts)** and other programs that can help you achieve financial goals and save on taxes. In particular, self-employed individuals and others not covered by a traditional retirement plan at work should explore these options.
 - » There are two different types of IRAs, traditional and Roth IRAs, which offer different tax advantages. It can be difficult to determine absolutely which one will provide the greater tax advantages for any one person because it requires predicting what your tax bracket will be when you retire. So do some research and then take your best guess.
- To learn more about saving money for retirement, visit **www.savingmatters.dol.gov/**.
- There are also investments, such as stocks, corporate bonds, and mutual funds. They may help your savings grow faster, but they also involve a risk of losing some or all of your savings.
 - We are not discussing investments in this training. If you want to learn more about investments, go to **www.investor.gov**.



LEAD ACTIVITY (5 MINUTES)

Apply It: My Savings Options

See page 10 in the Participant Guide.

SHOW SLIDE 21



SAY

- Turn to *Apply It: My Savings Options* on page 10 in your Participant Guide.
- Take a few minutes now to answer the questions in this activity. This may be a first step toward making a plan to save money if you're not already in the habit of saving. Or, it may help you think about other options for where to save your money.

Apply It: My Savings Options
See page 10 in your Participant Guide

Apply It: My Savings Options
You can answer these questions to help decide where to keep your savings.

1. Do you save money now?
 Yes No
2. Do you save money regularly (for example, every time you receive income, every week, or every month)?
 Yes No
3. If you answered "no" to either question above, do you want to start saving money regularly?
 Yes No
4. If you save, where do you save your money?
5. Are you satisfied with this option?
 Yes No

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Note to Instructor: If time allows, ask participants to share their answers to question 6: **If no, what option or options would you like to explore?**

The *Apply It* from the Participant Guide in on the next page. The boxes for the answers are larger in the Participant Guide.

Apply It: My Savings Options

You can answer these questions to help decide where to keep your savings.

- Do you save money now?
 Yes No
- Do you save money regularly (for example, every time you receive income, every week, or every month)?
 Yes No
- If you answered “no” to either question above, do you want to start saving money regularly?
 Yes No
- If you save, where do you save your money?
- Are you satisfied with this option?
 Yes No
- If no, what option or options would you like to explore?



PRESENT INFORMATION (1 MINUTE)

Deposit Insurance

See page 11 in the Participant Guide.

SHOW SLIDE 22



SAY

- There are several benefits to keeping your savings in a financial institution.
- Deposits in a federally insured financial institution are insured to at least \$250,000.
 - The Federal Deposit Insurance Corporation (FDIC) insures federally insured banks.
 - The National Credit Union Administration (NCUA) insures federally insured credit unions.
 - You can visit the FDIC and the NCUA websites at **FDIC.gov** and **NCUA.gov** to learn more about federal deposit insurance.

Deposit Insurance

Each depositor insured to at least \$250,000

FDIC

Federal Deposit Insurance Corporation

Deposits in a federally insured financial institution are insured to at least **\$250,000**.

Your savings federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government

NCUA

National Credit Union Administration, a U.S. Government Agency

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PRESENT INFORMATION (10 MINUTES)

Interest and Compounding

See page 11 in the Participant Guide.

SHOW SLIDE 23



SAY

- Another benefit of keeping your savings in a financial institution can be interest and compounding. Not all accounts earn interest. For now, we are talking about accounts that do earn interest.
- Interest is the money financial institutions pay you for keeping money deposited with them. Interest is expressed as a percentage.
 - It is calculated based on the interest rate, the amount of money in your account, and how long it is in your account.
- The interest you earn is considered income, and you may have to pay income tax on it.
- Compounding is earning interest on the interest.
- You earn interest on the amount of money you deposit and leave in your account; plus, you earn interest on that interest if you leave it in your account.
- Even when interest rates are low, it's important to understand how compounding works.
- How often interest compounds—daily, monthly, or annually—makes a difference in how much money you earn.
 - The more frequent the compounding, the more interest you earn.
 - While the effect of compounding isn't large at first, over time and with additional deposits the effect can be more significant.
 - You can ask how frequently the interest compounds when you shop around for an account.

Interest and Compounding

- **Interest:** money financial institutions pay you for keeping money deposited with them
 - Expressed as a percentage
 - May need to pay income tax on interest
- **Compounding:** earning interest on the interest



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SHOW SLIDE 24



SAY

- Compare what happens when you keep \$1,000 in cash under your mattress versus keeping it in a bank account that pays 2 percent interest. The 2 percent is just an example.

Mattress versus Bank Account

For Example...	5 Years	10 Years
Under Your Mattress (No interest, and assuming it is not stolen or lost)	\$1,000.00	\$1,000.00
Bank Account (pays 2% interest, compounded monthly)	\$1,105.08	\$1,221.10

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For Example...	5 Years	10 Years
Under Your Mattress (no interest, and assuming it is not stolen or lost)	\$1,000.00	\$1,000.00
Bank Account (pays 2% interest, compounded monthly)	\$1,105.08	\$1,221.10

Note to Instructor: Depending on current interest rates, you may wish to mention what the bank account would earn assuming a different interest rate, still compounded monthly.

Interest Rate	5 Years	10 Years
1%	\$1,051.25	\$1,105.12
4%	\$1,221.00	\$1,490.83
6%	\$1,348.85	\$1,819.40



SAY

- But remember, it's not just interest and compounding that matter. The money you add to your account also matters.
- Some people may think that it's not worth saving money unless you have a lot of money to save. That is not true. Over time, regularly saving money, even small amounts of money, can really add up.
- The satisfaction of seeing your savings grow, and knowing you can use those savings for emergencies or for meeting financial goals, are also benefits of saving.

SHOW SLIDE 25



SAY

- Look at how your money would grow if you saved \$5.00 every month.
- Compare the *Under Your Mattress* column to the *Bank Account* column to see how compound interest combined with regular saving can significantly grow your money.
- This table assumes 2% interest compounded monthly and you add \$5.00 per month. The money will grow even faster if the interest rate were higher, if the compounding were daily, or if you saved more than \$5.00 every month!

Interest Combined with Regular Savings of \$5.00 per Month		
	Under Your Mattress (No interest and assuming it is not stolen or lost)	Bank Account (pays 2% interest, compounded monthly)
Year 1	\$60.00 (\$5 per month x 12 months)	\$60.55
Year 5	\$300.00 (\$60 per year x 5 years)	\$315.24
Year 10	\$600.00 (\$60 per year x 10 years)	\$663.60
Year 30	\$1,800.00 (\$60 per year x 30 years)	\$2,463.63

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	Under Your Mattress (No interest and assuming it is not stolen or lost)	Bank Account (pays 2% interest, compounded monthly)
Year 1	\$60.00 (\$5 per month x 12 months)	\$60.55
Year 5	\$300.00 (\$60 per year x 5 years)	\$315.24
Year 10	\$600.00 (\$60 per year x 10 years)	\$663.60
Year 30	\$1,800.00 (\$60 per year x 30 years)	\$2,463.63

- It's never too late to start saving money.
- Saving sooner rather than later gives your money more time to compound so your savings will grow.

Note to Instructor: Depending on current interest rates, you may wish to mention what the bank account would earn assuming a different interest rate, still compounded monthly.

Interest Rate	1 Year	5 Years	10 Years	30 Years
1%	\$60.28	\$307.50	\$630.75	\$2,098.14
4%	\$61.11	\$331.49	\$736.25	\$3,470.25
6%	\$61.68	\$348.85	\$819.40	\$5,022.58



PRESENT INFORMATION (1 MINUTE)

Annual Percentage Yield (APY)

See page 12 in the Participant Guide.

SHOW SLIDE 26



SAY

- Here's another term related to saving money.
- **APY is the Annual Percentage Yield.** APY reflects the amount of interest you will earn on a yearly basis. It is expressed as a percentage.
- The APY is not the same as the interest rate.
- It includes the effect of compounding.

Annual Percentage Yield (APY)

- Reflects amount of interest on a yearly basis
- Different from the interest rate
- Includes the effects of compounding
- The more often your money compounds:
 - The higher the APY
 - The more interest you earn
- Compare APYs not interest rates

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- The more often your money compounds, the higher the APY and the more interest you earn.
- Looking at the APY is the best way to compare your potential earnings from different accounts.



PRESENT INFORMATION (3 MINUTES)

The Rule of 72

See page 13 in the Participant Guide.

SHOW SLIDE 27



SAY

- Curious how long it would take to double your money?
- You can divide the number 72 by the interest rate you earn on your money expressed as a whole number.
- The result is an estimate of the number of years it will take to double your money.
- This calculation assumes that the interest rate remains the same over time and that you are not making withdrawals or deposits.

The Rule of 72

- Formula that estimates how long it will take for money to double in value
- Divide 72 by interest rate
- Result is the estimated number of years to double the money, assuming:
 - No change in interest rate
 - No deposits or withdrawals

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SHOW SLIDE 28



SAY

- Here are two examples of how you can use the Rule of 72
- **Example 1:**
 - If you have \$50 in a savings account with an interest rate of 2 percent, it will take about 36 years to double your money to \$100.
 - $72 \text{ divided by } 2 = 36$.
 - The Rule of 72 gives you a quick way of estimating how long it may take to achieve a savings goal.
 - There is another way to use the Rule of 72. You can use it to estimate the interest rate you have to earn to double your money in a certain number of years.
 - Divide 72 by the number of years. This gives you an estimate of the interest rate you would have to earn.

Rule of 72 Examples

Example 1:
\$50 in a savings account with a 2% interest rate
72 divided by 2 = 36
It will take about 36 years for \$50 to double to \$100

Example 2:
What interest rate would double your money in 10 years?
72 divided by 10 = .072 or 7.2%
Need to earn about 7.2% to double your money in 10 years

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- Let's look at **Example 2**
 - What interest rate would double your money in 10 years?
 - $72 \text{ divided by } 10 = .072 \text{ or } 7.2\%$
 - You would have to earn 7.2% on your money in order for it to double in 10 years.
- And if someone tells you they can double your money in one year, you may want to ask them a few questions because that means your money would earn 72%. Earning that much interest is probably not realistic.



PRESENT INFORMATION (1 MINUTE)

Section Closing

See page 13 in the Participant Guide.

SHOW SLIDE 29



SAY

- Remember the key takeaway from this section: **Consider the advantages and disadvantages of savings options before choosing where to build your savings.**

Section 2: Remember the Key Takeaway

Consider the advantages and disadvantages of savings options before choosing where to build your savings.



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Section 3: Saving for Unexpected Expenses

Training Time Estimate: 20 minutes

Objectives

Participants will be able to:

- Explain why saving money for unexpected expenses is important
- List potential changes to income and expenses and how those relate to savings goals



PRESENT INFORMATION (1 MINUTE)

Introduction to Section and Key Takeaway

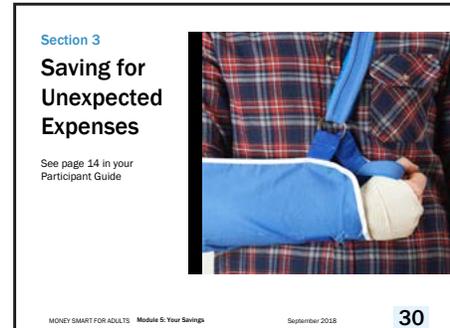
See page 14 in the Participant Guide.

SHOW SLIDE 30



SAY

- We will discuss saving money for unexpected expenses, how to plan for an emergency savings fund, and setting aside income for times when your income or expenses vary.

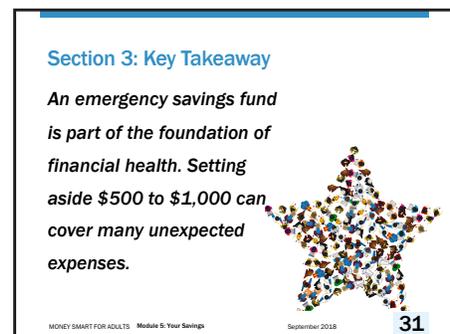


SHOW SLIDE 31



SAY

- The key takeaway from this section is: **An emergency savings fund is part of the foundation of financial health. Setting aside \$500 to \$1,000 can cover many unexpected expenses.**



PRESENT INFORMATION (1 MINUTE)

Why Save for Unexpected Expenses?

See page 14 in the Participant Guide.

SHOW SLIDE 32



SAY

- Life happens. Unexpected events occur. And, they often require money.
- People can find themselves desperate for money when they need to replace a car tire or water heater, travel to a family member's funeral, or pay for emergency dental work.
- An emergency savings fund can help. This is money specifically set aside to cover unexpected expenses.
 - Setting money aside means separating it from where you keep money that you plan to spend or share with others in the short term. It could be in a federally insured savings account, or perhaps somewhere else that is safe.





LEAD ACTIVITY (5 MINUTES) – EXERCISE

Try It: Unexpected Expenses

See page 14 in the Participant Guide.

SHOW SLIDE 33



SAY

- Turn to *Try It: Unexpected Expenses* on page 14 in your Participant Guide.
- Take three minutes to list some of the unexpected events in your life that have required money.
- Put a check next to those that you handled or could have handled with \$1,000 or less.

Try It: Unexpected Expenses
See page 14 in your Participant Guide

Try It: Unexpected Expenses
Use some of the unexpected events in your life that required money. Put a check next to those that you handled or could have handled with \$1,000 or less.

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DO

- Invite a few participants to share what they wrote.



PRESENT INFORMATION (2 MINUTES)

Emergency Savings Fund Goal

See page 15 in the Participant Guide.

SHOW SLIDE 34



SAY

- When you pay for unexpected expenses with money you have saved, you avoid creating debt.
 - Often the debt used to cover unexpected expenses can be costly.
- You may have heard that an emergency savings fund should have three to six months' worth of living expenses.
- That is a big goal and it may seem impossible to reach.
- Even building a smaller emergency savings fund can be helpful. For example, you can make a big difference by saving \$500 to \$1,000 in an emergency savings fund.
- It may take time and commitment to build your emergency savings fund.

Emergency Savings Fund Goal

- If you pay for unexpected expenses with money you have saved, you avoid creating debt
- Takes time and commitment
- It's a cycle
- Still worth doing
- Important step to improve financial health and stability

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- And as you need to use some of your emergency savings, you'll have to build it up again. It's a cycle.
- **It's still worth doing. Having an emergency savings fund is one of the most important steps you can take to improve your financial health and stability.**



PRESENT INFORMATION (1 MINUTE)

Apply It: My Emergency Savings Fund Plan

See page 15 in the Participant Guide.

SHOW SLIDE 35



SAY

- Turn to *Apply It: Emergency Savings Fund Plan* on page 15 in your Participant Guide.
- You can complete this worksheet after today's training to develop your own plan for creating an emergency savings fund.

Apply It: My Emergency Savings Fund Plan
See page 15 in your Participant Guide

Apply It: My Emergency Savings Fund Plan
You can use this worksheet to plan for an emergency savings fund. Once you reach your goal, keep adding to it. As you need to use some of your emergency savings, build it up again.

My emergency savings fund goal

<input type="checkbox"/> \$100	<input type="checkbox"/> \$600
<input type="checkbox"/> \$200	<input type="checkbox"/> \$700
<input type="checkbox"/> \$400	<input type="checkbox"/> \$1,000
<input type="checkbox"/> \$800	<input type="checkbox"/> Other \$_____

I want to save in my emergency savings fund!

I will use these strategies to save money regularly toward this goal

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LEAD DISCUSSION (8 MINUTES)

Anticipating Changes to Income and Expenses

See page 16 in the Participant Guide.

Note to Instructor: Time permitting, consider reviewing this *Apply It* with participants during training, using a copy from a Participant Guide.

SHOW SLIDE 36



SAY

- Another reality of managing your money is how your income and your expenses can change.
- When your income increases or your expenses decrease, even temporarily, consider setting aside some of that money in savings. This can help you manage times when your income is less than you expected or your expenses are more than you expected.

Anticipating Changes to Income and Expenses

- Your income and expenses can change
- You may have bills that arrive only once or a few times per year
- Your spending can increase temporarily

MONEY SMART FOR ADULTS Module 5: Your Savings September 2018 **36**

**ASK**

- What are examples of changes to income? You can write down examples from our discussion in your Participant Guide on page 16.

**DO**

- Write participant responses on a flip chart or whiteboard.
- Add the following if not contributed:
 - Getting a lump sum of money you expected (such as a tax refund)
 - Getting a lump sum of money you did not expect (such as a gift)
 - Getting a new job with higher pay, perhaps because you have acquired a new skill or a new piece of assistive technology
 - Getting a second (or third) job
 - Losing hours at work or losing a job
 - Getting sick or injured and missing days at work

**ASK**

- You may have bills that arrive only once or a few times per year. What are some examples?

**DO**

- Write participant responses on a flip chart or whiteboard.
- Add the following if not contributed:
 - Auto insurance is often paid quarterly, semiannually, or annually.
 - Property taxes are often paid annually if not part of the mortgage payment.
 - Self-employment taxes are due four times per year.
 - School tuition is often paid only once or twice a year.

**ASK**

- What are some examples of when your expenses increase temporarily?

**DO**

- Write participant responses on a flip chart or whiteboard.
- Add the following if not contributed:
 - Back to school shopping—clothes, shoes, haircuts, and school supplies
 - Holidays, cultural celebrations, weddings, and birthdays
 - Summer-related expenses—additional childcare and summer activities
 - Whenever something breaks and needs to be repaired



PRESENT INFORMATION (1 MINUTE)

Apply It: Estimating Savings for Changes in My Income and Expenses

See page 17 in the Participant Guide.

SHOW SLIDE 37



SAY

- Turn to *Apply It: Estimating Savings for Changes in My Income and Expenses* on page 17 in your Participant Guide.
- You can complete this table after today's training. You will create a list of expected increases and decreases in your income and also any upcoming special expenses. The questions following each section will help you figure out how these changes relate to your savings and goals.

Apply It: Estimating Savings for Changes in My Income and Expenses
See page 17 in your Participant Guide

Apply It: Estimating Savings for Changes in My Income and Expenses

You can use the tables below to create a list of increases and decreases in your income, and a list of upcoming periodic or special expenses. The questions following each section will help you figure out how these changes relate to your savings and your goals.

Increases in Income

Item	Frequency (If you expect it, when will it likely happen?)	Estimated Amount of Money
Tax refund		\$
Increase in my hourly wages		\$
Increase in hours or overtime		\$

MONEY SMART FOR ADULTS Module 5: Your Savings September 2018 37

Note to Instructor: Time permitting, consider reviewing this *Apply It* with participants during training, using a copy from a Participant Guide.



PRESENT INFORMATION (1 MINUTE)

Section Closing

See page 20 in the Participant Guide.

SHOW SLIDE 38



SAY

- Remember the key takeaway from this section: **An emergency savings fund is part of the foundation of financial health. Setting aside \$500 to \$1,000 can cover many unexpected expenses.**

Section 3: Remember the Key Takeaway

An emergency savings fund is part of the foundation of financial health. Setting aside \$500 to \$1,000 can cover many unexpected expenses.



MONEY SMART FOR ADULTS Module 5: Your Savings September 2018 38



Section 4: Saving for Your Goals

Training Time Estimate: 35 minutes

Objectives

Participants will be able to:

- Set savings goals using the SMART framework
- Calculate how much money to save periodically based on the total savings goal and the time available for saving
- List potential changes to income and expenses



PRESENT INFORMATION (1 MINUTE)

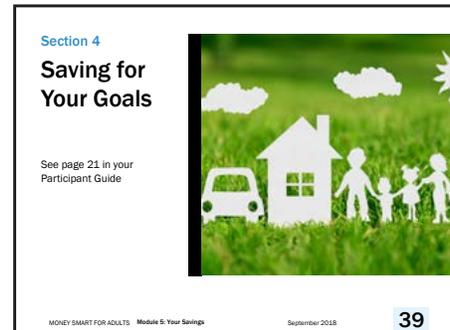
Introduction to Section and Key Takeaway

See page 21 in the Participant Guide.

SHOW SLIDE 39

**SAY**

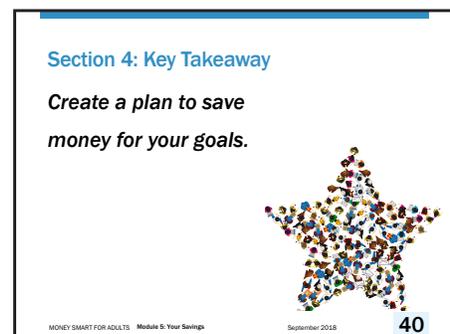
- We will discuss saving money for your goals and large expenses.



SHOW SLIDE 40

**SAY**

- The key takeaway from this section is: **Create a plan to save money for your goals.**



LEAD ACTIVITY (10 MINUTES) – INDIVIDUAL DRAWING ACTIVITY

Your Hopes and Dreams

See page 21 in the Participant Guide.

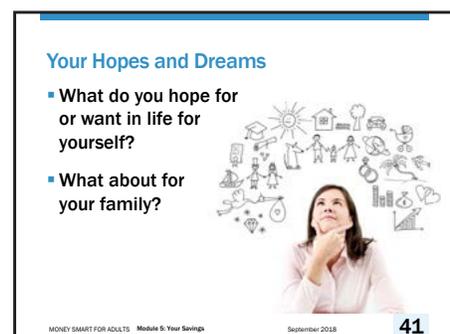
SHOW SLIDE 41

**ASK**

- What do you hope for or want in life for yourself?
- What about for your family?

**SAY**

- Turn to *Your Hopes and Dreams* on page 21 in your Participant Guide.
- Take five minutes to draw a picture in the space provided of what you hope for or want in life for yourself and your family.



- You will have a chance after the five minutes to share your drawing with others at your table, if you want to.

✓ DO

- After five minutes, invite participants to share their drawings with other people at their table.
- Emphasize that they should only share if they are comfortable doing so.



SAY

- You have taken the first step toward setting goals—thinking about what you want from life.
- Now you're going to learn a little more about writing goals.

Note to Instructor: If you would like to cover setting SMART goals in greater depth, consider including Section 2 of *Module 1: Your Money Values and Influences* in your training.



PRESENT INFORMATION (5 MINUTES)

SMART Goals

See page 22 in the Participant Guide.

SHOW SLIDE 42



SAY

- A goal is a statement about a result you want to achieve.
- The most powerful goals are SMART:
 - **S**pecific:
Ask yourself – What exactly do I want to accomplish?
 - **M**easurable:
Ask yourself – How much? How many?
 - **A**ction-oriented:
Ask yourself – What specific actions do I need to complete to meet this goal?
 - **R**eachable:
Ask yourself – Is this goal something I can actually reach?
 - **T**ime-bound:
Ask yourself – When will I reach this goal? What's the deadline?

SMART Goals

- **S**pecific
- **M**easurable
- **A**ction-oriented
- **R**eachable
- **T**ime-bound

"I will save \$10 each month for six months, by getting cash at my bank's ATM rather than the ATM that charges fees, so that I have \$60 for holiday gifts by November 1."

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- Take a look at the sample goal on the right-hand side of the slide: “I will save \$10 each month for six months by getting cash at my bank’s ATM rather than the ATM that charges fees so that I have \$60 for holiday gifts by November 1.”
- This has each of the elements of a SMART goal:
 - It is **specific** about what will be accomplished: saving \$60 for holiday gifts.
 - It is **measurable**, especially if the saver sets aside the money not spent on ATM fees each month, separate from money meant for other things.
 - It is **action-oriented** because it states exactly what action to take -- use the bank’s ATM instead of the one that charges a fee.
 - It is **reachable**, assuming this person was spending \$10 a month in ATM fees and the bank’s ATM is free.
 - Finally, it is **time-bound**. The saver’s deadline is November 1.

SHOW SLIDE 43**SAY**

- You are more likely to achieve your goals, even SMART goals, if you:
 - Write them down
 - Post them where you can see them every day
 - Share them with others
 - Focus on only one or a few goals at the same time

More Likely to Achieve Your Goals

- Write them down
- Post them
- Share them
- Focus



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PRESENT INFORMATION (4 MINUTES)

How Much Money Should You Save for Your Goals?

See page 22 in the Participant Guide.

SHOW SLIDE 44**SAY**

- Writing SMART goals can be very powerful. For this training, however, we’re not going to spend more time on writing SMART goals, but rather will now turn to the financial aspect of goals.

How Much Money Should You Save for Your Goals?

- What are you saving for?
- How much will it cost?
- How much of that cost do you need to save?
- What is your deadline?

Money Needed divided by Time to Save

For example: Emergency savings fund of \$1,000 in 2 years

$\$1,000 \div 100 (50 \text{ weeks} \times 2 \text{ years}) = \text{Save } \$10/\text{week}$

After 2 years you will have \$1,040!

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- Many goals involve money. The only way you can achieve them is if you have enough money. What is enough?
- The amount of money you should save for your goals is based on:
 - What you are saving for
 - How much it will cost
 - How much of that cost you need to save, meaning you don't already have it
 - The deadline you have set to reach your goal
- For example, let's say your goal is: I would like to build an emergency savings fund of \$1,000 in two years.
- We'll assume you don't already have any money saved so you need to save the entire \$1,000.
 - You can calculate the amount of money you need to set aside on a daily, weekly, monthly, or yearly basis.
 - Let's say you want to calculate it on a weekly basis:
 - » $\$1,000 \text{ divided by } 100 \text{ (} 50 \text{ weeks} \times 2 \text{ years)} = \10
 - » We're using 50 weeks instead of 52 weeks in a year just to make the math easier.
 - » If you set aside \$10 every week for the next two years, you will have saved \$1,040, and that doesn't include any interest on your savings.
 - You will have more than enough money in two years to meet your goal.

Note to Instructor: Consider writing the math on a flip chart or whiteboard as you explain each step. Some people can follow calculations more easily when presented in steps.



LEAD ACTIVITY (10 MINUTES) – EXERCISE

Apply It: Saving Money for My Goals

See page 23 in the Participant Guide.

SHOW SLIDE 45



SAY

- Turn to *Apply It: Saving Money for My Goals* on page 23 in your Participant Guide.
- You can use the tables to calculate how much money you should save every day, week, month or year to reach your goals.
- There are three tables, one each for:
 - Short-term goals—something you will try to accomplish in less than six months from now.
 - Medium-term goals—something you will try to accomplish in six months to two years from now.
 - Long-term goals—something you will try to accomplish that will take more than two years to achieve.
- There is an example already filled in to show you how to use the worksheet.
 - This person needs \$32 in 4 weeks to pay the co-payment for prescription medication. That's the goal.
 - The amount of money needed—\$32—is put in the second column
 - The amount of time—4 weeks—is put in the third column
 - To figure out how much money to save each week, this person divided \$32 by \$4. That's \$8 per week which is put in the last column
- Take three minutes now to think about one of your goals that requires money. You can choose a short-, medium-, or long-term goal.
 - Fill in the table with that goal, the amount of money you need to reach that goal, the amount of time you have to save it, and then calculate the How Much column—how much money you need to save to reach your goal.
 - You can decide to calculate a daily, weekly, monthly or yearly savings amount for it.
 - You can fill in the rest of the table with more goals after today's training.

Apply It: Saving Money for My Goals
See page 23 in your Participant Guide

SECTION 4: Saving for Your Goals PARTICIPANT GUIDE

Apply It: Saving Money for My Goals
You can use the tables below to calculate how much money you should save every day, week, month, or year to reach your goals.

Short-Term Goal (Less than Six Months)

My Goal	Amount of Money I Need to Reach My Goal	Amount of Time I Have to Save It	How Much I Need to Save (Amount of Money ÷ Amount of Time)
Example: I need \$32 in 4 weeks to pay the co-payment for my prescriptions.	\$32	4 Weeks — Days — Months — Years	$\$32 \div 4 = \8 I need to save \$8 each week for the next 4 weeks.

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Apply It: Saving Money for My Goals from the Participant Guide

Short-Term Goal (Less than Six Months)

My Goal	Amount of Money I Need to Reach My Goal	Amount of Time I Have to Save It	How Much I Need to Save (Amount of Money ÷ Amount of Time)
<i>Example: I need \$32 in 4 weeks to pay the co-payment for my prescriptions</i>	\$32	___ Days <u>4</u> Weeks ___ Months	$\$32 \div 4 = \8 <i>I need to save \$8 each week for the next 4 weeks</i>
		___ Days ___ Weeks ___ Months	

Medium-Term Goal (Six Months to Two Years)

My Goal	Amount of Money I Need to Reach My Goal	Amount of Time I Have to Save It	How Much I Need to Save (Amount of Money ÷ Amount of Time)
		___ Days ___ Weeks ___ Months ___ Years	

Long-Term Goal (More than Two Years)

My Goal	Amount of Money I Need to Reach My Goal	Amount of Time I Have to Save It	How Much I Need to Save (Amount of Money ÷ Amount of Time)
		___ Days ___ Weeks ___ Months ___ Years	

DO

- After three minutes, ask two or three participants to share how they calculated their savings amount.



PRESENT INFORMATION (3 MINUTES)

Large Expenses

See page 24 in the Participant Guide.

SHOW SLIDE 46



SAY

- Many goals are related to large expenses.
- Large expenses are items that generally require more money than you have left over after one or two paychecks.



ASK

- What are some examples of large expenses?



DO

- Write participant responses on a flip chart or whiteboard.



ASK

- What are the benefits of thinking about large expenses before you need or want to pay for them? You can take notes in your Participant Guide on page 24.



DO

- Write participant responses on a flip chart or whiteboard.
- Add the following if not contributed by participants:
 - You can start to save for it.
 - You can spend more time comparison shopping to get the best deal.
 - You can spend more time figuring out all of your options for paying for it, including saving for it, and different ways to borrow money for it.

Large Expenses

- Many goals are related to large expenses
- Large expenses generally require more money than you have leftover after one or two paychecks



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PRESENT INFORMATION (1 MINUTE)

Apply It: My Large Expenses

See page 25 in the Participant Guide.

SHOW SLIDE 47



SAY

- Turn to *Apply It: My Large Expenses* on page 25 in your Participant Guide.

Apply It: My Large Expenses

See page 25 in your Participant Guide

SECTION 4: Saving for Your Goals PARTICIPANT GUIDE

Apply It: My Large Expenses

Identify the large expense items you might need in the future. Estimate the cost and when you think you'll need to have the financial resources pulled together. Also think of other ways to get the item—perhaps using savings and credit, or finding less expensive alternatives.

Large Expense	Estimated Cost	When You'll Need the Money	Savings Goal (Monthly, Weekly, or Monthly)	Other Ways to Get the Item
Example: New Refrigerator	\$400	20 weeks	Weekly: \$400 divided by 20 = \$20 per week	→ Buy a used refrigerator or less expensive one → See if the store will let me finance part of the purchase (I'll ask how much that would cost)

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- You can complete this table after today's training to identify the large expenses you anticipate in your future.
- For each one that you identify, you can estimate the cost and when you think you'll need to have the financial resources together. You can also think of ways to save money for the item, use savings and credit, or find less expensive alternatives.
- The table starts with an example you can review before you fill in your large expenses.

Note to Instructor: Time permitting, you can review the example with participants during training.

Large Expense	Estimated Cost	When You'll Need the Money	Savings Goal (daily, weekly, or monthly)	Other Ways to Get the Item
<i>Example: New Refrigerator</i>	<i>\$400</i>	<i>25 weeks</i>	<i>Weekly: \$400 divided by 25 = \$16 per week</i>	<i>— Buy a used refrigerator or less expensive one — See if the store will let me finance part of the purchase (I'll ask how much that would cost)</i>



PRESENT INFORMATION (1 MINUTE)

Section Closing

See page 25 in the Participant Guide.

SHOW SLIDE 48



SAY

- Remember the key takeaway from this section: **Create a plan to save money for your goals.**

Section 4: Remember the Key Takeaway

Create a plan to save money for your goals.



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Section 5: Saving and Public Benefits

Training Time Estimate: 25 minutes

Objectives

Participants will be able to:

- List some public benefit programs that determine eligibility for benefits based on a person's income and other resources
- Explain how special accounts enable some people to save more money for specific goals without losing eligibility for means-tested public benefits



PRESENT INFORMATION (1 MINUTE)

Introduction to Section and Key Takeaway

See page 26 in the Participant Guide.

SHOW SLIDE 49



SAY

- We will discuss special accounts that let some individuals build assets while receiving public benefits.

Section 5
Saving and Public Benefits

See page 26 in your Participant Guide



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SHOW SLIDE 50



SAY

- The key takeaway from this section is: **Some public benefits may be reduced or removed when you exceed income or asset limits. However, some special accounts enable people to save more money without losing eligibility for their benefits.**

Section 5: Key Takeaway

Some public benefits may be reduced or removed when you exceed income or asset limits. However, some special accounts enable people to save more money without losing eligibility for their benefits.



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PRESENT INFORMATION (8 MINUTES)

Assets and Income Limits

See page 26 in the Participant Guide.

SAY

- Some public benefit programs determine eligibility for benefits based on a person's income and other resources. This is commonly referred to as "means testing," or "a means-tested benefit."

SHOW SLIDE 51



SAY

- Turn to *Assets and Income Limits* on page 26 in your Participant Guide.
- Let's look at limits to saving money for some public benefit programs.

Assets and Income Limits

Public Benefit	Asset Limit as of 2018
Temporary Assistance for Needy Families or TANF	\$1,000 to \$3,000 in most states
Supplemental Nutrition Assistance Program or SNAP	Varies by state
Medicaid	\$2,000 if single; \$3,000 if married for some disability-linked Medicaid benefits
Supplemental Security Income or SSI	\$2,000 if single; \$3,000 if married
Social Security Disability Insurance or SSDI	No asset limits

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**DO**

- Review each public benefit and the information provided in the table. Participants can follow along in their Participant Guide.

Public Benefit	Asset Limit as of 2018	Where to Get More Information
Temporary Assistance for Needy Families (TANF)	\$1,000 to \$3,000 in most states	Visit USA.gov and search for “TANF Program”
Supplemental Nutrition Assistance Program (SNAP, sometimes still referred to as “food stamps”)	Varies by state	Visit www.usda.gov and search for “SNAP my state.” Replace “my state” with the name of your state.
Medicaid	—\$2,000 if single; \$3,000 if married for some disability-linked Medicaid benefits —Otherwise, generally no asset limits, although there are income limits	Visit www.medicaid.gov and search for “eligibility”
Supplemental Security Income (SSI)	\$2,000 if single; \$3,000 if married	Visit www.ssa.gov and search for “understanding ssi”
Social Security Disability Insurance (SSDI)	No asset limits	Visit www.ssa.gov and search for “disability”



PRESENT INFORMATION (15 MINUTES)

Special Accounts and Public Benefits

See page 27 in the Participant Guide.

**SAY**

- Special accounts enable some people to save more money without losing eligibility for means-tested public benefits.
- You can follow along in your Participant Guide, starting on page 27.

**DO**

- Explain each type of special account using the slides and information provided in the table.

Special Account	Details
ABLE Accounts	<p>SHOW SLIDE 52</p> <ul style="list-style-type: none"> ■ Tax-advantaged savings accounts for individuals with disabilities. ■ To be eligible for an ABLE account, you must have a significant disability that began before your 26th birthday. You can be any age when you open the account. ■ Eligible individuals can save money without affecting their eligibility for Supplemental Security Income (SSI), Medicaid, or other federal means-tested public benefits. <p>SHOW SLIDE 53</p> <ul style="list-style-type: none"> ■ Anyone can contribute money to an ABLE account, which is also known as a 529A account. ■ Each eligible person can have only one ABLE account. That person is the account owner or designated beneficiary. ■ Total annual contributions per account are limited to the federal gift tax limit which is announced each year. The 2018 limit is \$15,000. Account owners with earned income may be able to contribute money from their income up to the federal poverty limit for the previous year for a single person, even if that means the total annual contributions from all sources is more than the federal gift tax limit. ■ Annual contributions can include transfers from 529 accounts. A 529 plan is a tax-advantaged savings plan designed to encourage saving for future educational costs. ■ Account owners may qualify for the Saver's Credit if they contribute money to their account. The federal Saver's Credit provides a special tax break to taxpayers with low- to moderate-income who are saving money toward retirement.

ABLE Accounts

- Tax-advantaged savings accounts for individuals with disabilities
- Blind or qualifying disability that began before 26th birthday; can be any age when account is opened
- Save money without losing eligibility for Supplemental Security Income (SSI), Medicaid, or other federal means-tested public benefits

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More on ABLE Accounts

- Anyone can contribute
- Can only have one ABLE account
- Total annual contributions limit set each year
 - Federal gift tax exclusion limit
 - Can be higher if account owner contributes earned income
 - Can include transfers from 529 accounts

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Special Account	Details
ABLE Accounts	<p>SHOW SLIDE 54</p> <ul style="list-style-type: none"> ■ SSI cash benefits will continue to be paid as long as the account balance does not exceed \$100,000. ■ When the account balance exceeds \$100,000, eligibility for SSI is retained but the SSI cash benefit is suspended. ■ The total account limit is set by the state sponsoring the program (some state limits range from \$300,000 to \$500,000). ■ Shop around — most state ABLÉ programs are open to eligible residents of any state. If you are eligible for an ABLÉ account, you can still open an ABLÉ account even if your state doesn't offer them. ■ Open an ABLÉ account on the program website for the state sponsoring the program, not at a bank. <p>SHOW SLIDE 55</p> <ul style="list-style-type: none"> ■ Use the money in an ABLÉ account for "qualified disability expenses" — if used for anything else, the money withdrawn from the account becomes taxable.

ABLE Account Balance Limits

- Up to \$100,000: SSI cash benefit continues
- Over \$100,000: SSI eligibility retained but cash benefit suspended
- Total account limit: set by sponsoring state
- Shop around
- Open ABLÉ account on state program website, not at a bank

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ABLE Account Uses

- Use money in ABLÉ account for "qualified disability expenses"
- If used for anything else, withdrawal becomes taxable

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Note to Instructor: This information about ABLÉ accounts is not comprehensive. If participants want to learn more about ABLÉ accounts, you may want to contact the ABLÉ National Resource Center and ask if they can recommend a guest speaker. Visit <http://ablenc.org>.

Special Account	Details
ABLE Accounts	<p>SHOW SLIDE 56</p> <p>Qualified Disability Expenses include:</p> <ul style="list-style-type: none"> ▪ Education ▪ Housing ▪ Transportation ▪ Employment training and support ▪ Assistive technology ▪ Personal support services ▪ Health care expenses ▪ Financial management and administrative services ▪ Other expenses which help improve health, independence, and/or quality of life <p>For more information and website addresses for state ABLE programs, visit the ABLE National Resource Center website: http://ablenrc.org</p>
Special Needs Trust	<p>SHOW SLIDE 57</p> <ul style="list-style-type: none"> ▪ A Special Needs Trust is designed to fund long-term expenses and needs of someone with a disability ▪ Can be complicated; generally requires an attorney to establish <p>For more information, visit www.ssa.gov and search for "Special Needs Trust"</p>

Qualified Disability Expenses

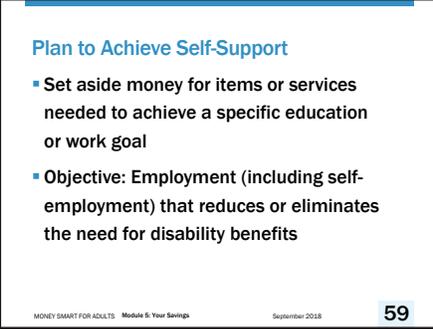
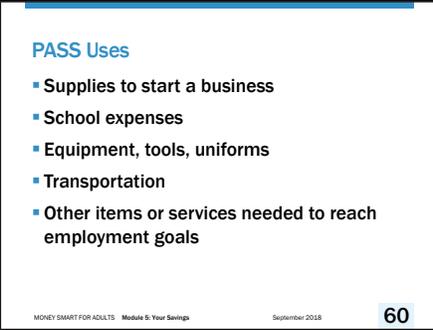
- Education, Housing, Transportation
- Employment training and support
- Assistive technology, personal support services
- Health care expenses
- Financial management and administrative services
- Other expenses which help improve health, independence, and/or quality of life

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Special Needs Trust

- Designed to fund long-term expenses and needs of someone with a disability
- Can be complicated; may need an attorney

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Special Account	Details	
<p>Pooled Special Needs Trust</p>	<p>SHOW SLIDE 58</p> <ul style="list-style-type: none"> ■ Provides benefits of a special needs trust, but costs less ■ A single entity manages the sub-accounts for many beneficiaries ■ A nonprofit corporation usually manages the trust <p>For more information, visit the Special Needs Alliance website: www.specialneedsalliance.org/pooled-trust-directory</p>	 <p>Pooled Special Needs Trust</p> <ul style="list-style-type: none"> ■ Provides benefits of a special needs trust, but costs less ■ Single entity manages sub-accounts ■ Nonprofit corporation usually manages trust <p><small>MONEY SMART FOR ADULTS Module 5: Your Savings September 2018</small> 58</p>
<p>Plan to Achieve Self-Support (PASS)</p>	<p>SHOW SLIDE 59</p> <ul style="list-style-type: none"> ■ A PASS allows people with disabilities to set aside money for items or services needed to achieve a specific education or work goal ■ Objective: Employment (including self-employment) that reduces or eliminates the need for disability benefits 	 <p>Plan to Achieve Self-Support</p> <ul style="list-style-type: none"> ■ Set aside money for items or services needed to achieve a specific education or work goal ■ Objective: Employment (including self-employment) that reduces or eliminates the need for disability benefits <p><small>MONEY SMART FOR ADULTS Module 5: Your Savings September 2018</small> 59</p>
<p>Plan to Achieve Self-Support (PASS)</p>	<p>SHOW SLIDE 60</p> <ul style="list-style-type: none"> ■ PASS uses can include: <ul style="list-style-type: none"> • Supplies to start a business • School expenses • Equipment, tools, uniforms • Transportation • Other items or services people need to reach their employment goals <p>For more information, visit www.ssa.gov and search for “PASS” elements”</p>	 <p>PASS Uses</p> <ul style="list-style-type: none"> ■ Supplies to start a business ■ School expenses ■ Equipment, tools, uniforms ■ Transportation ■ Other items or services needed to reach employment goals <p><small>MONEY SMART FOR ADULTS Module 5: Your Savings September 2018</small> 60</p>

Special Account	Details
Matched Savings Accounts	<p>SHOW SLIDE 61</p> <ul style="list-style-type: none"> ■ Accounts that encourage saving money for a specific purpose ■ Usually run by local community-based organizations ■ Savings are matched by the organization running the program ■ Examples include Individual Development Accounts (IDAs) and Children's Savings Accounts (CSAs) <p>SHOW SLIDE 62</p> <ul style="list-style-type: none"> ■ Allowable purposes may include: <ul style="list-style-type: none"> • Job training • College education • Small business start-up • Purchasing a home ■ May require financial education courses ■ May not count against benefits if the program is federally-funded or part of a PASS <p>For more information, see organizations in your community</p>

Matched Savings Accounts

- Encourage saving money for specific purpose
- Usually run by local community-based organizations
- Savings matched by organization running program
- Individual Development Accounts (IDAs) and Children's Savings Accounts (CSAs)

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Purposes of Matched Savings

- Allowable purposes may include:
 - Job training
 - College education
 - Small business start-up
 - Purchasing a home
- May require financial education courses
- May not count against benefits if federally funded or part of a PASS

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PRESENT INFORMATION (1 MINUTE)

Section Closing

See page 30 in the Participant Guide.

SHOW SLIDE 63



SAY

- Remember the key takeaway from this section: **Some public benefits may be reduced or removed when you exceed income or asset limits. However, some special accounts enable people to save more money without losing eligibility for their benefits.**

Section 5: Remember the Key Takeaway

Some public benefits may be reduced or removed when you exceed income or asset limits. However, some special accounts enable people to save more money without losing eligibility for their benefits.

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Module Closing

Training Time Estimate: 10 minutes



LEAD ACTIVITY (5 MINUTES)

Remember the Key Takeaways

See page 31 in the Participant Guide.

Note to Instructor: Only mention key takeaways for sections you included in the training.



SAY

- Remember the key takeaways. These are also listed on page 31 in your Participant Guide. Let me know if you have questions about any of them.

Section	Key Takeaway
1: What is Saving?	Set aside some money every time you get income. Regularly saving money, even if only a small amount, can make a big difference over time.
2: Where to Build Your Savings	Consider the advantages and disadvantages of savings options before choosing where to build your savings.
3: Saving for Unexpected Expenses	An emergency savings fund is part of the foundation of financial health. Setting aside \$500 to \$1,000 can cover many unexpected expenses.
4: Saving for Your Goals	Create a plan to save money for your goals.
5: Saving and Public Benefits	Some public benefits may be reduced or removed when you exceed income and asset limits. However, some special accounts enable people to save more money without losing eligibility for their benefits.



Take Action

See page 31 in the Participant Guide.

SHOW SLIDE 64



SAY

- You are more likely to take action if you commit to taking action now.
- Consider writing down what you intend to do because of what was covered during this training session.
- Take a few minutes now to answer the questions under *Take Action* on page 31 in your Participant Guide:
 - What will I do?
 - How will I do it?
 - Will I share my plans with anyone? If so, who?



DO

- Time permitting, ask participants if they want to share what they are going to do or how they are going to do it.
- Remind participants about the activities in their Participant Guide they can complete after today's training.
- Refer participants to *Where to Get More Information or Help* on page 32 in their Participant Guide for a list of online resources.
- If this is the end of your training, thank participants for attending and administer the post-training survey.



LEAD ACTIVITY (5 MINUTES)

Post-Training Survey

See page 35 in the Participant Guide.

Note to Instructor: After training ends, you can ask participants to complete the post-training survey in the back of their Participant Guide. You may want to give them “loose” copies so they don’t have to tear them out. The knowledge questions are the same as those in the pre-training survey.

The answer key is at the end of this Instructor Guide.

You may decide to compare post-training surveys to pre-training surveys to estimate knowledge gains of the entire group or for each participant. If you want to estimate by participant, ask them to write their last name or some other unique identifier on both their pre- and their post-training surveys so you can compare them for a given participant.

SHOW SLIDE 65

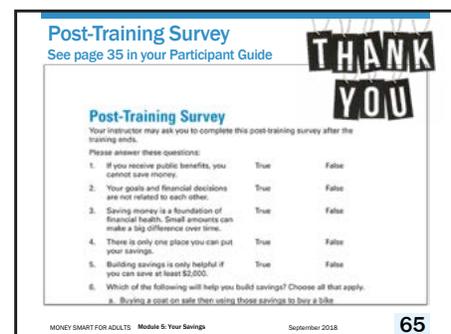


SAY

- Thank you for attending this Money Smart Training called “**Your Savings.**”
- Before you leave, please take a few minutes to complete the Post-Training Survey on page 35 of your Participant Guide.
- I can look at the surveys to tell if I helped you add to your knowledge and to make changes and improvements to future trainings.
 - It should take less than five minutes to complete.
 - Let me know if you have any questions.

✓ DO

- Collect the completed surveys if you plan to review them or compare them to pre-training surveys.
- Review the answers to the knowledge questions using the Answer Key on the next page.



Answer Key for Both the Pre- and Post-Training Surveys

1. If you receive public benefits, you cannot save money.
The answer is **false**.
2. Your goals and financial decisions are not related to each other.
The answer is **false**.
3. Saving is a foundation for financial health. Small amounts can make a big difference over time.
The answer is **true**.
4. There is only one place you can put your savings.
The answer is **false**.
5. Building savings is only helpful if you can save at least \$2,000.
The answer is **false**.
6. Which of the following will help you build savings? (choose all that apply)
The answer is **b** and **c**.
 - a. Buying a coat on sale then using those savings to buy a bike.
 - b. **Putting part of your income tax refund into your savings account.**
 - c. **Participating in a retirement savings plan at work.**
 - d. All of the above

Note to Instructor: There are no “right” or “wrong” answers to the remaining questions, which appear in the post-training survey and not in the pre-training survey.

About the Training

Check the box that best describes your agreement or disagreement with each of these statements.

	Completely agree	Somewhat agree	Somewhat disagree	Completely disagree
7. I would recommend this training to others.				
8. I plan to apply what was discussed in this training to my life.				
9. The instructor used engaging training activities that kept me interested.				
10. The instructor was knowledgeable and well prepared.				
11. The Participant Guide is clear and helpful.				

Money Smart for Adults Modules

Thank you for presenting this module. Consider providing training on other Money Smart for Adults modules, as shown below. Visit www.FDIC.gov/moneysmart.

Module Number	Module Name	Module Focus
1	Your Money Values and Influences	Internal values and goals, external influences, and their relationships to financial decisions
2	You Can Bank On It	Financial products, services, and providers
3	Your Income and Expenses	How to track income and expenses
4	Your Spending and Saving Plan	How to develop a spending and saving plan, and how to prioritize spending when money is short
5	Your Savings	Saving money for expenses, goals, and emergencies
6	Credit Reports and Scores	Credit reports and scores, building productive credit histories, and repairing and improving credit
7	Borrowing Basics	Options for borrowing money and the costs
8	Managing Debt	Different kinds of debt and ways to manage it
9	Using Credit Cards	How credit cards work and how to manage them
10	Building Your Financial Future	Ways to build assets, including buying a car and getting training and education
11	Protecting Your Identity and Other Assets	Ways to recognize, respond to, and reduce the risks of identity theft, along with strategies for protecting other assets
12	Making Housing Decisions	Different types of safe and affordable housing, including specific information on renting
13	Buying a Home	The home buying process, including mortgages
14	Disasters—Financial Preparation and Recovery	How to financially prepare for, and recover from, disasters

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Visit the FDIC's website at www.fdic.gov/education for more information and resources on banking-related issues. For example, FDIC Consumer News provides practical hints and guidance on how to become a smarter, safer user of financial services. Also, the FDIC's Consumer Response Center is responsible for:

- Investigating all types of consumer complaints about FDIC-supervised institutions
- Responding to consumer inquiries about consumer laws and regulations and banking practices

**You can also call the FDIC for information and assistance at
877-ASK-FDIC (877-275-3342).**



MONEY SMART for Adults

**INSTRUCTOR GUIDE
Module 5: Your Savings**

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www.fdic.gov/education**