

Your Money, Your Goals

Building your savings? Start with small goals.

Setting aside money can empower you to plan for the future and achieve your goals. While saving can be challenging for many reasons, taking small steps can make a difference.

No matter your current financial situation, you can begin saving.

These tools can help you get started.

You can:

- Use them to help you plan for your short-term and long-term goals
- Find ways to make saving work for you
- Learn strategies to help build your saving skills



Consumer Financial
Protection Bureau

2^{1st} Century Bank



What could saving make possible for me?

GOAL SETTING



How can I plan to save?

ACTION PLAN



How can I save more in my current situation?

SHORT-TERM STRATEGIES



How much can I save this month?

SAVINGS TRACKER

8

Tools to build your savings.



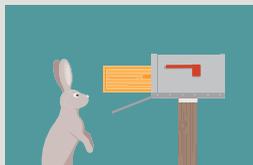
How can I manage my cash flow better?

CASH FLOW CALENDAR



Where can I put my savings?

A PLACE FOR SAVINGS



How can I save when I get a tax refund?

TAX TIME



How can I prepare for unexpected expenses?

EMERGENCIES

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Use the **saving snapshot worksheet** to plan and prioritize.

Think about some things you'd like to save for.

Prioritize what you could accomplish now and later.

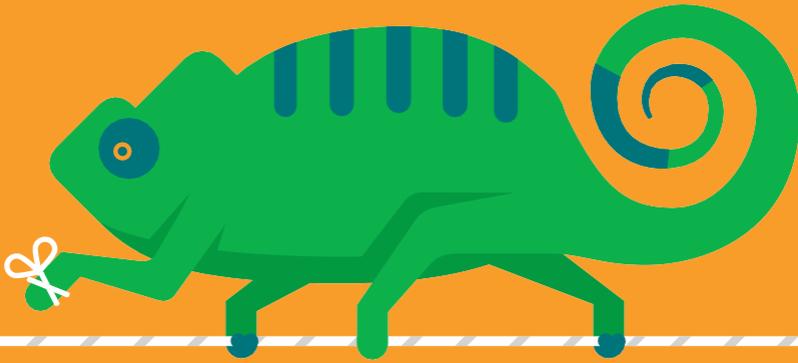
Short-term
List something you want to accomplish in the next few months.

Medium-term
List something you want to accomplish next year.

Long-term
List something you want to accomplish far in the future.

GOAL SETTING

How can saving help me reach my goals?



This tool will help you:

- **Identify what matters** to you
- **Commit yourself** to making positive life changes
- **Brainstorm a plan** to help you achieve your goal

What to do:

1. **Pick statements in the tool** that interest you
2. **Write down** your goals
3. **Share your goals** with someone who will hold you accountable
4. **Complete the back of this tool** to get specific about your goals

Start with one question:

How have you helped someone else reach a goal?

A step further

Get specific about your goal. The difference between a dream and a goal is a plan. Think about what you need to do to reach your goal by using the prompts below.

What do I need to accomplish to meet my goal?

How much money do I need to set aside to achieve my goal?

What tools and resources can I use to help reach my goal?

What obstacles can I remove to achieve my goal?

By when do I want to reach my goal?

Next step

If you have a clear understanding of your savings goal, consider completing the "Savings Tracker" tool.

If you want to continue brainstorming ways to achieve your goal, consider completing the "Action Plan" tool.

Take the first step to **set a savings goal.**

Choose at least one statement that interests you to complete.

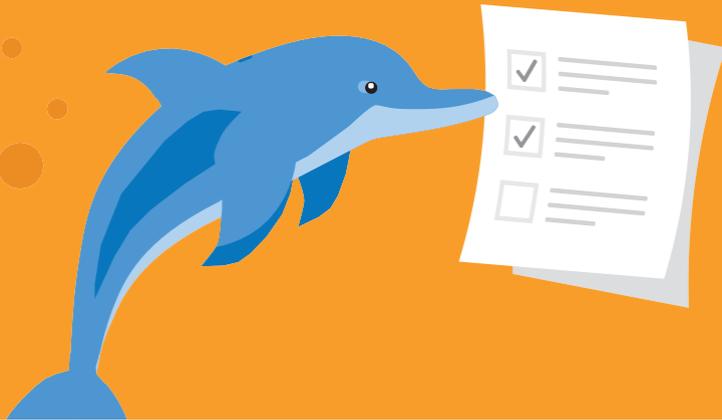
<p>One thing I'm proud of:</p>	<p>One promise to myself:</p>
<p>One thing I'd like to change:</p>	<p>One dream I have for myself:</p>

Who can help me?

Date to complete:

ACTION PLAN

How can I plan to save?



This tool will help you:

- **Choose a savings goal** to work towards
- **Calculate your savings target** to decide how much and how often you will contribute to your savings
- **Determine the next steps** to achieve your goal
- **Find out how much you can earn and save** while receiving public benefits

Keep in mind:

Savings is money you set aside today to use in the future. **Some things people save for include:**

- A bill due at the end of the month
- Annual expenses like children's school supplies
- Personal goals, like a new TV, appliances, or a car

Start with one question:

What steps can you take to achieve your goal?

A step further

- **Build a rainy day fund.** Unexpected expenses can get in the way of reaching your savings goal. Use the "Rainy Day Fund" tool to help you think about how preparing for unexpected expenses could help you stay on track to reach your goal.
- **Find a place to save.** Make sure you have a place to store your savings. Consider options listed in the "A Place for Savings" tool.
- **Set up account alerts.** Sign up for account alerts to track activity in your savings account and help you manage your money.

Additional resources

If you are receiving public benefits (such as cash assistance, food stamps, Medicaid, etc.), use this table to help you keep track of how much you can safely earn and save. Then plan accordingly.

Rules regarding benefit programs vary. Check with your benefits coordinator about your state's rules to ensure accuracy.

Benefits program	Maximum income	Maximum savings
1.		
2.		
3.		
4.		
5.		

Make an **action plan** to reach your goal

1 Pick a goal that saving can help you achieve.

2 Calculate a savings target to plan for your goal.

Total amount needed

Ex. \$400

Time to reach goal ÷

Ex. 20 weeks

Amount to save =

Ex. \$20 per week

TIP: Think about how often you can set aside money for your goal and pick a frequency that fits your needs, like once a week, once a month, or once per paycheck.

3 Determine your next steps to reach your goal.

Steps to take	What I need	Date to complete

SHORT-TERM STRATEGIES

How can I save more in my current situation?



This tool will help you:

- **Brainstorm ways to earn** more money right now
- **Develop good habits** that help you save money
- **Cut back on costs** by avoiding fees and reducing bills

Think about this:

Decide which goals you want to save for if you have extra money at the end of the month.

Consider asking for support from someone you trust to keep you on track.

Start with one question:

How could you save more and spend less?

A step further

Make a commitment to save. Think about how much money you can save next month and make a promise to yourself to implement some of your strategies to save.

By bringing in more money and spending less, I want to free up this much money next month to help me reach my savings goal:

\$ _____

Ways to help you find money to save

- Take advantage of free and public services like your local library to borrow things you need rather than buying them.
TIP: *Don't forget to return your items on time to avoid late fees.*
- Maintain your car. Keeping up on oil changes and tire pressure can save you money on fuel and repair costs.
- Comparison shop for auto insurance. You may be able to save money by finding lower cost coverage that still meets your needs.
TIP: *If you increase your deductible on your insurance you may want to increase your emergency fund.*
- When buying groceries shop by unit price. Sometimes larger quantities don't actually save money.
- Brown bag your lunch. It's almost always cheaper to pack your lunch than to eat at a restaurant.
- Designate once a week a "no spend day." Reserve one night a week for free family fun!

Next step

Make a plan to put one of these strategies into action by using the "Savings Tracker" tool.

After exploring your savings strategies, consider completing the "Action Plan" tool.

Think about some ways to bring in more money.

Think about some ways to spend less money.

<p>Skills I have</p> <hr/> <ul style="list-style-type: none"> ▪ What do people count on you for? Cooking, crafts, yard work, a second language, babysitting? ▪ Do you have any interests or passions you can turn into a job opportunity? Cars, technology, shopping, writing? 	<p>Other options I have</p> <hr/> <ul style="list-style-type: none"> ▪ Can you run errands for someone, give people rides, or sell produce from your garden? ▪ Can you sell stuff you no longer need (old equipment, extra clothes) at a yard sale or online?
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<p>Fees I can avoid</p> <hr/> <hr/> <hr/> <p>Do you pay fees to access your money—for example, from ATMs or check-cashing services? Can you open a no-fee bank account?</p>	<p>Utilities I can reduce ?</p> <hr/> <hr/> <hr/> <p>Can you set your thermostat lower during winter and higher during summer?</p>
<p>Plans I can change ?</p> <hr/> <hr/> <hr/> <p>Do you have memberships you're not using (magazine subscriptions, movie-streaming services, gym)?</p>	<p>Habits I can change ?</p> <hr/> <hr/> <hr/> <p>What would you consider changing to save money? Cooking at home vs. eating out, buying second-hand vs. buying new?</p>

SAVINGS TRACKER

How much can I save this month?



This tool will help you:

- **Focus on habits to change** to help you to save
- **Track your savings** for a month
- **Reflect on your progress** when you meet a savings goal

Think about this:

If you have a lot of everyday expenses, think of which ones you could cut back on to save money.

Consider weeks when it may be difficult to save and make a plan to stay on track.

Start with one question:

What is one thing you can do now to start saving?

A step further

One thing I will try next month to help me save:

What is the total amount of money you were able to save for each month?

Jan.	Feb.	Mar.	Apr.
_____	_____	_____	_____
May	Jun.	Jul.	Aug.
_____	_____	_____	_____
Sep.	Oct.	Nov.	Dec.
_____	_____	_____	_____

Next step

For more ideas on what you can change in order to save, refer to the "Savings Strategies" tool in this booklet.

Track your savings success from week to week.

TIP: Congratulate yourself when you meet your weekly savings goal, but don't worry if you didn't. You can always try again next week.

Goal I'm saving for: _____

How much I want to save this month: _____

One thing I want to change in week 1:	
How much I can save:	How much I did save:
One thing I want to change in week 2:	
How much I can save:	How much I did save:
One thing I want to change in week 3:	
How much I can save:	How much I did save:
One thing I want to change in week 4:	
How much I can save:	How much I did save:

Total I saved this month: _____

How can managing my cash flow help me save?



This tool will help you:

- **Get a total picture** of your monthly bills and expenses
- **Identify times** where you don't have enough money to cover your bills and times when you have money left over to save
- **Adjust your monthly expenses** in a way that better aligns with your income and savings goals

What you'll need:

- * All your pay stubs, benefits statements, receipts, and records of electronic payments from the month
- * Statements of any bills that are online

Some examples of bills include utilities, rent or mortgage, phone, credit cards, child support, and insurance.

Start with one question:

How could you track your monthly spending?

A step further

Tips to help you improve your cashflow:

Things I could try:

- * I'll talk to the company to set a new due date for my bills.

Things to consider:

First contact companies where you have a good payment history and long-standing relationship.

-
- * I'll ask to split a large monthly payment into two smaller ones due at different times.

For example, if you can cover your \$700 rent with a \$350 payment on the first and fifteenth of the month, it might free up more money at the beginning of the month.

-
- * I'll automatically deposit a monthly amount into a savings account or feature of a prepaid card, so when a lump-sum payment is due the money is already saved.

This helps reduce stress when large, periodic payments (like car insurance or school tuition) are due. To do this, you'll need regular income and an account at a bank or credit union.

-
- * My own strategies:
-

Additional resources

To learn more about additional ways to improve your cash flow, visit the "Your Money, Your Goals" toolkit at cfpb.gov/your-money-your-goals.

Use this **calendar** to adjust your expenses.

1 **Determine your starting balance at the beginning of the month:** _____

2 **Fill out the calendar.**

Enter your income sources (+) and expenses (-) on the days you expect to receive or pay them. Try moving expenses around to plan payments for when you have more income.

Example:

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Groceries -\$85	Gas bill -\$79		Paycheck +\$750			

Month : _____, **Year :** _____

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Week 1							
Week 2							
Week 3							
Week 4							
Week 5							

3 **Determine how much money you can save this month:** _____

Where can I put my savings?



This tool will help you:

- **Understand some options** available to you to manage your money
- **Evaluate each option** according to your needs
- **Gather information** on how to get started

What to do:

1. **Consider** your own preferences and concerns
2. **Learn** about what each saving option has to offer
3. **Write** down any questions you have

Start with one question:

How do you keep your money safe?

Know your rights

If you are denied a savings account, here are some steps you can take:

- **Request your banking history report.** Learn how to request your report by visiting "Ask CFPB" at cfpb.gov/askcfpb/2035.
- **Review your banking history report for any errors.** If you find an error in your report, file a dispute. Learn how to dispute an error in your report by visiting "Ask CFPB" at cfpb.gov/askcfpb/2029.
- **Find out whether your bank or credit union has a "second chance" or checkless checking account option.** These accounts typically have different features and restrictions than a standard checking or savings account. Visit your local bank or credit union to learn more about their "second chance" or checkless checking account options.

Additional resources

Achieving a Better Life Experience (ABLE) account, for people with disabilities. For more information on ABLE accounts, visit ablenrc.org.

529 savings plan, an account designed to save for future educational costs. For more information on using 529 plans, visit collegesavings.org.

Retirement accounts, designed to save for your retirement. For more information on retirement accounts, visit "Ask CFPB" at cfpb.gov/consumer-tools/retirement.

Find a place for savings that works for you.



Bank account

Using a financial institution to safeguard and grow savings

- **Benefits:** Federally insured; safe from loss, fire, or other disaster; easy to access
- **Risks:** Fees to keep and use the account; may be difficult to open an account based on previous banking history



Credit union account

Using a community-affiliated financial institution to safeguard and grow savings

- **Benefits:** Generally lower fees than banks; federally insured; can't be lost, stolen, or destroyed in a fire or other disaster; easy to access
- **Risks:** Fewer branch locations; fewer account options; fees to keep and use the account; may not be eligible to join



Prepaid cards

Using a card to access money loaded on it in advance

- **Benefits:** Easy to access; convenient; secured by PIN number; no bank or credit union account needed
- **Risks:** Fees to keep and use the account; no branch locations



Home

Storing your cash savings in a hidden place at home

- **Benefits:** No costs to maintain it; easy to access; convenient
- **Risks:** Not safe from loss, fire, or other disaster; risk of theft

Questions I still have: _____

Determine the next steps you'll take.

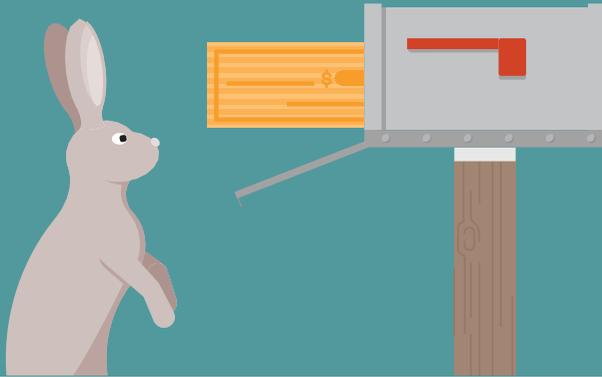
I have decided to keep my money here:

- Bank account Prepaid card
 Credit union Home

Steps I will take next:

1. _____ 3. _____
2. _____ 4. _____

How can I save when I get a tax refund?



This tool will help you:

- **Brainstorm** ways to use your refund
- **Commit to spending and saving** portions of your refund for specific goals
- **Decide the total amount** that you will allocate to each area

Keep in mind:

You can have your tax refund direct deposited into up to three accounts.

You can use the strategies in this tool to help you prioritize how you spend and save other large sums of money.

Start with one question:

How will you get your taxes prepared this year?

Additional resources

In addition to saving a portion of your tax refund, here are a few ways to save during the tax process.

If you need assistance in preparing and filing your returns one of your choices is to visit a Volunteer Income Tax Assistance (VITA) site. IRS-certified volunteers can help you file your taxes and make a plan for your refund, all for free. Find a site by visiting irs.treasury.gov/freetaxprep or call (800) 906-9887.

If you use a paid preparer to do your taxes, they may offer you a refund advance loan or a refund anticipation check. Refund advance loans may get you a portion of your refund faster, but you will have to pay a fee. To speed up your refund without paying a fee file your taxes online and use direct deposit.

The Earned Income Tax Credit (EITC) is a benefit for people who are working, but have low-to-moderate income. For more information, visit irs.gov/credits-deductions/individuals/earned-income-tax-credit.

TIP: *Your federal tax refund, including all tax credits and overwithholding, is exempt from the asset limit test for most public benefits for 12 months after receipt.*

The Child Tax Credit (CTC) reduces the taxes you owe by up to \$2,000 for each qualifying child under the age of 17 if you meet certain criteria. For the most current information visit irs.gov/publications/p972/ar02.html.

Purchase a Series I Savings Bond and earn interest from the government. You don't need a bank account and you can give bonds as a gift. For more information visit treasurydirect.gov/indiv/research/indepth/ibonds/res_ibonds_ibuy.htm.

Make a plan for your tax refund.

TIP: Tax time is an opportunity to save for your goals and take care of urgent needs, but don't forget to allocate some money for yourself.

1 **Estimated tax refund amount:** \$ _____

2 **Think of ways to use your refund.**

What are my current expenses?

Examples: bills, home repair, debt.

What can I save for the future?

Examples: savings account, emergency fund, family trip, etc.

How can I do one nice thing for myself?

Examples: save for a goal, buy yourself a gift, etc.

3 **Prioritize how you'll use your refund.**

Use your answers from Step 2 to help you decide what is most important to you.

1. _____

2. _____

3. _____

4. _____

5. _____

4 **Estimate how you'll spend your refund.**

I'll use...

\$ _____ for current expenses,

\$ _____ for savings,

\$ _____ for myself.

How can I prepare for unexpected expenses?



This tool will help you:

- **Think of unexpected expenses** you have faced in the past
- **Get prepared** to face future unexpected expenses
- **Understand how much money** you may need for an emergency

Think about this:

Everyone has unexpected expenses and emergencies. Having money set aside can save you money in the long run.

The target amount for emergencies depends on your needs. Consider starting with \$500 as your goal.

Start with one question:

What unexpected expenses stop you from saving?

A step further

Tips to help you plan for unexpected expenses:

- Make a plan to build your rainy day fund by using the "Action Plan" tool in this booklet.
- Keep track of everything you spend money on for a week. Then, review your spending and figure out whether you can make some changes to **save**.
- If you can, automate your accounts to set aside a small amount each week. If you usually receive a tax refund, think about setting a goal for how much of the refund you want to save for an unexpected expense.
- Remember to try to only use the money you set aside for unexpected expenses.
- Using the money in your rainy day fund for an unexpected expense is a success, not a failure. If you need to use the funds in your account, make a plan to replenish it.

What are your next steps?

Steps	Goal date to complete
Ex. Start an account for an unexpected expense.	1/1/2020
_____	_____
_____	_____
_____	_____
_____	_____

Prepare for future **unexpected expenses**.

1 Select the unexpected expenses you had last year:

Change in income Emergency child care Family loss Fines and fees Household repairs Medical expenses Pet care Transportation Other:

2 Record the expenses you would like to prepare for in the future. Then, estimate their costs and the total amount you'll need to save.

List of expenses	Estimated cost
1.	\$
2.	\$
3.	\$
4.	\$

Total amount I will save: \$ _____