ASSET

Your Money, Your Future!

Basic Money Management

A guide to financial planning to help people with disabilities achieve the future of their dreams.

UCP United Cerebral Palsy™
of Texas
Life without limits for people with disabilities™

ASSET is funded by an AmeriCorps*State Operating Grant. It's just one example of how Texans with disabilities benefit from a partnership between UCP Texas, the Corporation for National and Community Service and the OneStar Foundation. The partnership gives UCP Texas access to the resources of the AmeriCorps program, including the invaluable services of volunteers committed to making a positive difference in the world.

The volunteers work alongside staff at UCP Texas and many of our project partners. They help extend our reach and expand our mission by taking on projects beyond what we can handle with existing staff and workloads.

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About ASSET and Basic Money Management

The dictionary defines the word “asset” in several ways. It can mean something of value, a benefit or an advantage. It also means something useful in overcoming an obstacle. We named our project “ASSET” because it is all of those things to people with disabilities who are working hard for a good future. The letters in the name stand for the full name of the project “Active Service Solutions for Economic Transition,” but most of the time we just call it “ASSET.”

People with disabilities have dreams and goals just like everybody else, but they often have more challenges to overcome. Many people with disabilities have very low incomes. It’s hard to be independent and self-sufficient when you don’t have enough money to pay for basic necessities—things like groceries, clothing, a place to live, or disability-related equipment or technology. People with disabilities often find themselves stuck in cycle of poverty and dependence.

ASSET aims to help people with disabilities break out of that cycle by learning new skills in three important areas: money management, housing and assistive technology. This manual offers help with basic money management.

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Chapter 1

BANKS AND CREDIT UNIONS

When you are done with Chapter 1, you will:

☐ Understand the advantages of having a bank account.

☐ Understand what the different kinds of banks are.

☐ Understand the difference between checking and savings accounts.

☐ Understand the difference between debit and credit cards.

☐ Know how to choose a bank.

☐ Know how to open a bank account.

☐ Know how to write a check.

Why do I need a bank account?

▶Bank accounts are a good way to keep your money safe

A government organization called the Federal Deposit Insurance Corporation (FDIC) makes sure that people will never lose the money they have in a bank account because of an economic crisis. The FDIC guarantees that any money you put in a bank account up to $100,000 is insured against an economic crisis.

With your money in the bank, you don't have to worry about keeping it safe in your wallet, under your mattress or in your money jar. While it is still possible to have money that is in a bank account stolen if someone steals your account information, most banks will work with you to get some or all of that money back if you tell them right away. *See the section on avoiding fraud and theft for more information about this.*

▶Bank accounts cost less money to use than check-cashing stores.

Even though many banks charge fees to use their services, it is always cheaper than going to a check-cashing store. For example, if you have a check worth $100, the check-cashing store may charge you $10 or more, meaning you leave the store with only $90.

A bank may only charge a few dollars each month to keep your account open, regardless of how much money you put in it. Some banks allow you to have a free account if you meet other requirements. *See the section on choosing a bank for more information about this.*

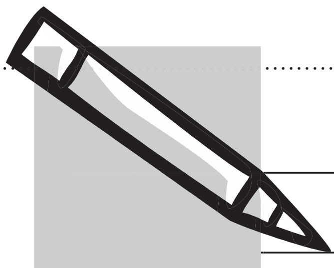
▶Banks offer tools that can help you keep track of how you spend your money.

Each month, banks send out statements to their customers that list all of the deposits and withdrawals for that month. The statement also tells the customer how much money was in the account at the beginning of the month and on the day the statement was printed. People with Internet access can use online banking services to check on their account information 24 hours a day.

If you receive Social Security or other cash benefits, the institution that pays your benefits can automatically put the entire amount of your benefits check directly in your bank account on the day you are supposed to receive it. This is a free service called direct deposit. It's a much faster, safer and easier way to get your benefits on time.

Once you open a bank account, all you have to do to get direct deposit is fill out a short form that your bank will send to the institution that pays your benefits.

If you work, you may be able to have your paychecks automatically deposited in your account using direct deposit. Direct deposit is usually faster and safer than getting your check in the mail. Ask your employer for more information.



What are the different kinds of banks where I can open an account?

There are two kinds of banks that allow people to open accounts:

▶ **Commercial Banks**

Commercial banks are for-profit companies that earn money by making loans and charging account fees. Examples of commercial banks that have locations (also called branches) across Texas are Chase, Guaranty, Wells Fargo and Bank of America, to name a few.

Commercial banks often have several branches in the city or town where they are located. Bigger banks like Wells Fargo and Bank of America may have branches all across a geographic region or even the entire country.

▶ **Credit Unions**

Credit unions are not-for-profit financial cooperatives that are owned and controlled not by one company, but by all the members who bank at the particular credit union. Credit unions generally have lower fees than commercial banks and may offer better interest rates on savings accounts or the loans that they make. Credit unions generally serve a smaller geographic area and may not have as many branches as commercial banks.

Credit unions are membership-based, meaning they serve a particular group of people (like teachers, governenet workers, etc.). But, there may be a credit union in your area that will allow you to join as an individual.

For a list of credit unions in your area, contact the Credit Union National Association at 1-800-358-7510 or go to their Web site at www.cuna.org.

What types of accounts I can open at a bank or credit union?

While there are many different types of accounts you can open at a bank or credit union, there are two basic types of accounts: checking accounts and savings accounts.

▶Checking Accounts

Checking accounts are used to deposit and withdraw money, as well as write checks. Checking accounts can be issued to one person or to more than one person. Checking accounts issued to more than one person are called "joint accounts" and each person listed on the account has equal access to the money that is in it.

In addition to the privilege of being able to write checks, most checking accounts come with an ATM or debit card that will allow you to use ATMs or pay for purchases without having to write a check.

Not all checking accounts are the same. Depending on the bank and type of checking account you have, you may have to pay fees in order to keep the account open, use a debit card or write checks.

Below are some common kinds of checking accounts that you may find at a bank where you want to open an account:

- **Regular Checking.** This is an account that comes with all the privileges of a checking account, including a debit card and check-writing privileges. There may be fees to write checks, use a debit card, or a minimum balance you have to maintain to keep the account open.
- **Free Checking.** This is a checking account that doesn't have any fees or minimum balances required to open or use it. You may be eligible for a free checking account if you are a student or a senior citizen or if you agree to have your paychecks or benefits checks direct deposited.
- **Electronic Transfer Account (ETA)**. This is an account for people who receive federal benefits like Social Security, SSI or SSDI. While this is a free account, it doesn't come with the ability to write checks. Also, there are limits to the number of free withdrawals you can make in a month, including withdrawals from ATMs or in stores or restaurants.
- **Basic or Lifeline Accounts.** These accounts have either no minimum balance required or a very small one, which means that you won't be required to pay fees if your account balance becomes too low. Check-writing and debit card privileges can be limited with these accounts.

▶Savings Accounts

It a good idea to have money set aside for emergencies or special purchases, so you may want to open a savings account A savings account is a safe place to keep your money while you earn interest on it.

Banks pay you a small amount of interest—usually one or two percent of your balance—on the money you keep in a savings account. Savings accounts often have different rules than checking accounts. Depending on the kind of savings account you have, you might not be able to write checks, use a debit card or make withdrawals the same as a checking account.

There are certain types of savings accounts available where you can earn more interest on your money if you agree not to spend any of it for a period of time, like six months or a year. These are called money market accounts or certificates of deposit (CDs). *For more information on CDs and money market accounts, see the savings section.*

Important: If you get federal benefits like SSI or SSDI, having too much money in savings may impact your ability to receive benefits. See the section on savings and benefits for more information.

What is the difference between a credit card and a debit card?

▶Credit Cards

A credit card is a plastic card that you can use to purchase items "on credit." This means that when you buy the item, you do not pay for it right away. Instead, you can pay for it when you get your credit card bill. However, if you do not pay for the full balance of the things you bought on your credit card when the bill comes, anything you do not pay for will collect interest.

Most credit cards have interest rates of between 9% and 20%. For example, if you charge $200 to a credit card that has a 15% interest-rate and do not pay it off when the bill is due, you will owe the credit card company $230. Credit cards often also have other fees associated with using them.

Credit cards can be nice for purchases where you do not have all the money available at once, but you should never charge more to a credit card than you can afford to pay. Failing to make payments on your credit card and accumulating debt can result in a bad credit score which can limit your ability to rent an apartment, get a job, be qualified for loans or mortgages and more. *See the section on understanding credit for more information about this.*

For an extra fee, many debit and credit cards offer special privileges such as the ability to earn frequent-flier miles; or they may donate a percentage of the money you spend to a charity of your choice.

▶Debit Cards

A debit card is also a plastic card that looks like a credit card, but you shouldn't get them confused. With a debit card, also called an ATM card, you take money directly out of your checking or savings account. If you use your debit card to buy something that costs $200, that $200 will be taken out of your checking or savings account immediately—not when you pay a bill. Debit cards can be used to get money out of ATM machines and pay for purchases almost anywhere cash or credit cards are accepted. You will either have to sign a receipt or enter a four-digit PIN number—your password—into a small machine when you buy things with a debit card.

Even though debit cards are easy to use, it's important to be careful how you use them. Many banks will let you continue to use your debit card to "pay" for purchases even if you don't have enough money in your account. In this case, your account is "overdrawn" or "bounced." Banks charge a fee for every purchase you make on an overdrawn account—usually between $25 and $40. That's in addition to what you owe for the purchase.

Try not to use your debit card at an ATM your bank does not own. If you use your card at another bank's ATM, you will be charged two fees: one from your bank and one from the bank whose ATM you are using. You'll be paying to withdraw money from another bank's ATM, and those fees can add up in a hurry!

BE CAREFUL WITH YOUR PIN NUMBER!

Do not write down your PIN number anywhere—especially not on your debit card. This makes it easy for people to steal your money if your card is lost or stolen. Memorize it instead.

Do not give your card or PIN number to anyone. If you need help entering your PIN number, be sure to change it frequently so the person cannot use it later.

If your debit or credit card is lost or stolen, report it to your bank right away. This will reduce the amount of time someone else may be using it, and it may limit the amount of money you might have to pay.

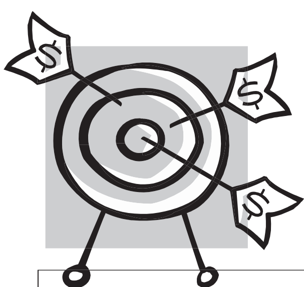
How do I choose a bank?

There are probably dozens of commercial banks and credit unions in your community. They probably all charge different rates and fees for their services, so it can be confusing to decide where to open an account. It helps to do some research before you open any bank account so you can make an informed decision.

Some things you may want to think about are:

- The amount of money and other fees required to open and maintain an account.
- Whether the bank has branches or ATMs that are close to where you live, work or go shopping.
- Whether the staff at the bank or credit union takes time to carefully address your concerns, answers questions in a way you can understand and treats you like a valued customer.

The checklist below may help you keep track of information about the different banks or credit unions you research.



CHECKLIST: Choosing a Bank or Credit Union

Use this sheet to help you select a bank or credit union that is right for you. Ask a bank employee for answers to these questions.

	Bank 1	Bank 2	Bank 3
Name of Bank			
Does the bank have free checking or savings accounts?			
What are the requirements for a free checking account?			
If I do not meet the requirements for a free checking account, how much money do I need to open an account?			
How much do I have to keep in the account to avoid monthly fees?			
How many checks can I write each month without additional fees?			
How many withdrawals can I make each month without additional fees?			
Does an ATM or debit card come with this account?			
How much is the fee to use my debit or ATM card at another banks ATM?			

How do I open a bank account?

Once you decide where you want to open a bank account, opening one is pretty simple. Go to the bank or credit union branch nearest you and tell the teller you want to open an account. You will have to fill out an application with information like your name, address, Social Security number and the information of anyone else that you want to have access to your account.

You do not have to fill out the application at the bank or credit union branch itself. You can ask for a copy of the application and take it home to fill it out. Most bank employees will be happy to help you fill it out if you need assistance.

In addition to filling out the application, you should bring the following things with you when you open a checking or savings account:

- Money to make your initial deposit (either cash or check).
- Your Social Security number.
- Photo ID with your signature on it (such as a driver's license, state ID card, or passport).
- If you don't have a photo ID with a signature, call the bank before you go in to ask what other kinds of identification you could use instead.

Also, if you open an account with check-writing and ATM privileges, you will receive a few free starter checks and an ATM card. The bank will probably ask if you want to purchase additional personalized checks, which you should do if you want to be able to write checks. Keep in mind that checks that you buy from the bank are usually more expensive than checks you can buy from a mail-order check printing service.

RESEARCHING A CREDIT UNION OR BANK

- **Try to get information for at least three banks before you decide to open an account.**
- **Save as much money as you can on account fees. Sometimes, you can negotiate with a bank or credit union to get lower fees.**
- **"Free checking" may not always mean free. Banks may give "free" checking for a certain amount of time, if you open another account, or if you have direct deposit. Be sure you know exactly what they mean by "free" before you get hit with fees that you weren't expecting.**
- **If you want to open both a checking and a savings account, you do not necessarily have to have them both at the same bank, and you do not have to open them both at the same time. You can always open a checking account first and add a savings account later, if you decide you need or want one.**

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Chapter 2

LEARNING TO MANAGE YOUR MONEY

When you are done with this part of the guide, you will:

☐ Understand what financial goals are.

☐ Be able to set financial goals for yourself.

☐ Be able to keep track of how you spend your money.

☐ Be able to write a personal budget for your spending.

☐ Be able to use your checkbook, bank statement, and other tools to keep track of how much money you have.

☐ Understand how you can spend less money and cut back on your expenses.

Why is good money management important?

We all have goals, dreams and things we would like to do with our lives. Quite often, money is either the thing that allows us to reach our goals or the thing that pushes our dreams out of reach.

If you have difficulty paying all your expenses or you never seem to have enough money left over to spend on things you enjoy, you may be letting your money manage you instead of the other way around.

Regardless of how much or how little money you have, you can usually find ways to manage your money in ways that allow you to do more of the things that you want and need to do with your life.

▸*Set financial goals.*

The first step is to know what your financial goals are. These goals can provide a framework for the ways that you want to spend your money.

Financial goals generally fall into two categories: short-term and long-term. Short-term goals are things that you hope to accomplish in a year or two, such as going on vacation or moving to a different part of town. Long-term goals are things that take longer to achieve, such as five or ten years. Examples of long-term goals could be purchasing a home, saving for an education, or getting out of debt.

Check out the useful worksheets in this section:

- ***Financial Goals—p. 14***
- ***Your Personal Budget—p. 16***

▸*Track your spending.*

The next step in working on your financial goals is to see how you spend your money. There are a lot of ways to track your spending, but one easy way is to write down or save the receipts for everything you purchase over the course of the month. You might already know how much money you spend on your rent or utilities. Those tend to be costs that stay pretty stable from month to month. But, you might be surprised to see that you spend more on food, clothing, or entertainment than you think you do.

▸*Set up a budget.*

Once you know how you spend your money, you can use this information to create a budget. A budget is simply a plan for how you will spend your money. Good budgets always work out so that you spend less money than you earn, with the idea being that you can save the extra money for emergencies or put it toward your financial goals.

You may have to experiment with writing several budgets before you find one that works for your situation. It can take practice to learn how to budget well, but the money you can save through the discipline of budgeting is well worth the effort.

When you develop your budget, be sure to write down all the expenses you pay yourself and how often you have to pay them (weekly, monthly, quarterly, annually, etc).

Add these expenses up, then subtract them from your total income. Be sure your total income includes earnings from work as well as money that you may receive from benefits, investments, or other sources. If you are on food stamps, you may wish to separate out your food costs and create a separate food budget, since food stamps can only be spent on food.

Tools for Managing Your Money

▶Check register

A budget that you can stick to is only one of the tools that you have available to help you manage your money.

Your check register is one of your most important money management tools. A check register is a small booklet about the size of your checkbook where you can record all your expenses, deposits and withdrawals as you make them.

This includes the amount of each check you write, all your debit card purchases and the amount of any money you take out of the ATM or withdraw from the bank. Also, make sure that you enter all your deposits, both deposits that you bring to the bank and money you receive via direct deposit.

If you don't have check writing privileges with your checking account, you can still get a check register. Just go to your bank and ask for one. They will be happy to give it to you for free.

It's a good idea to begin using your check register when you open a checking account, however, if you already have a checking account and aren't using a check register, you can start using one at any time.

WORKSHEET: Financial Goals

Use this sheet to help you think about the short- and long-term goals you have for your future. If you don't know the exact cost of your goal you may want to do some research, or give it your best guess until you get more information.

Short-term goal	How much it will cost	When I want to accomplish it

Long-term goal	How much it will cost	When I want to accomplish it

IMPORTANT: Whether you use a check register or money management software to track your expenses, it's important to update the information regularly so you'll know where your budget stands.

▶Money management software

If filling in lines in a check register or doing the math needed to reconcile your accounts and keep track of your spending is difficult, you may wish to purchase some money management software to use on your computer.

The two most popular personal money management software programs are called Microsoft Money and Quicken. The basic versions of these programs usually cost less than $40.

You use money management software just like a check register. It will automatically add and subtract the expenses you enter, so you don't have to worry about doing the math correctly.

With money management software, you can automatically assign different expenses to the appropriate categories, so you can monitor your expenses more closely. Money management software can also be used to create different types of budgets, based on the information you provide about spending and income. If you go over budget, some programs give a warning that you've exceeded your spending in a certain category and help you shift your budget temporarily to meet your expenses.

▶Reconciling bank statements

When you receive your bank statement, it is a good idea to match the entries that appear on your statement with the entries that you have recorded in your check register. This is called reconciling your bank account. This is very important to do so that you can keep track of which payments have cleared your accounts and which are still outstanding.

Reconciling your account also lets you look for any mistakes that might show up on your bank statement, like something that might say you spent $50 at a restaurant when you only spent $5. These mistakes don't happen often, but if you catch one, you can ask the bank to give you your money back and fix your statement.

WORKSHEET: Developing a Personal Budget

1 Monthly Expenses: List all expenses that you have on a monthly basis. If you don't know how much you spend in a certain category, save your receipts for a few weeks and use them to track where your money is going. Included in the chart below are common types of expenses that many people have. Feel free to skip ones that don't apply to you or add expenses in the blanks listed below.

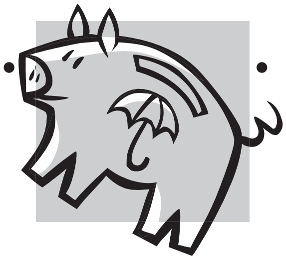
2 Monthly Income: List all the money you regularly receive each month. Be sure to include income from work, disability or other cash benefits and the amount of your food stamps, if you receive them. Add up the numbers and put the total amount in the space below.

3 Do the Math: Now subtract your total expenses from your total income. If you have money left over, you have a spending plan that could work as a budget. If not, you may need to find ways to reduce your spending. If you regularly go over your spending limit for a certain category, you may want to see if you can reduce your spending or modify your spending limit for that category.

1 WHAT I PAY FOR:	MONTHLY AMOUNT
Rent or mortgage payment	
Home or renter insurance	
Utilities (electric, water, gas)	
Telephone and or cell phone	
Cable TV	
Internet	
Groceries	
Dining Out	
Entertainment	
Car payments	
Car insurance	
Gas	
Public transportation	
Childcare Expenses	
Tuition/Educational Expenses	
Health care expenses (prescriptions, doctor fees, supplies, etc.)	
Personal Attendant or Home Help Wages	

WHAT I PAY FOR (continued):	MONTHLY AMOUNT
Savings	
Credit Card Payment	
Loan Payment	
Emergencies	
Total monthly expenses:	

2 MY MONTHLY INCOME:		
Income	How often?	How much?
	Total monthly income:	
	Minus expenses from Step 1:	
	3 What's left over (or not):	



GOOD IDEAS: Money Saving Tips

There are a lot of easy ways to reduce the amount of money you spend without significantly changing your lifestyle. You don't necessarily have to stop doing things you love to do, but you may need to do them less often.

Utilities

- Turn down your air-conditioning or heat when you aren't home or are sleeping.
- Only turn on the lights and water when you need them.

Food & Groceries

- Buy groceries and other items in bulk quantities when you can.
- Clip coupons for things you buy often from your newspaper every week, or search for coupons on the Internet and print them before you go to the store. Also, try to buy things on sale.

- Buy generic brands instead of name-brands. Generic brands are often cheaper and are usually the same quality as name-brands.
- Make more of your meals at home and bring them with you instead of going out to eat. You can save hundreds of dollars a year if you cut back even a little bit on take-out food, restaurant meals and coffee.
- Write a shopping list and commit yourself to only buying the things you write down.

Clothing

- Buy gently-used secondhand clothing.
- Learn to sew, crochet, or knit. You will be able to repair your clothes or make new ones.

Entertainment

- Check out movies, books and music from your local library or buy them used. If you have movies, books or music that you don't want anymore, sell them to a secondhand store for a little extra cash.

- Look in your local newspaper or other community information source for listings of things to do in your community that are cheap or free.

Other

- Reuse plastic containers and paper or plastic bags for things like trash or leftover food.
- Ask your friends and neighbors if there are services or goods you could exchange. For example, your neighbor might help you fix your kitchen plumbing if you look after his or her children for an afternoon.
- Shop around. The best deal for an item you regularly purchase might not be at the store where you regularly buy it.

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Chapter 3

SAVING MONEY AND HOW IT HELPS YOU REACH YOUR GOALS

When you are done with this part of the guide, you will:

☐ Understand why saving is important for having financial security and reaching your financial goals.

☐ Describe some common barriers to being able to save money.

☐ Understand the four steps for beginning to save successfully.

☐ Understand how you can get the most out of the money that you put in savings and what your different options are for putting it in the bank.

☐ Understand the risks and rewards of savings if you receive public benefits.

Reach your goals by saving

Why is saving important?

▸It can help you build wealth and assets that you need to have financial security.

Assets are cash, savings, or anything with monetary value that you could sell for more money if you needed it. For many Americans, two of the biggest sources of their assets are financial investments and the value of the home they own.

When you own a home, the home and the property that it sits on generally increase in value over time. So if you buy a home for $100,000 and sell it after you pay it off, you will likely be able to sell it for more than what you bought it for. With careful planning, many people use the value in their homes that is earned over time to make home improvements that will further increase the value, pay for educational costs, or offset the cost of unexpected medical bills.

▸It can help you to prepare for emergencies or unexpected expenses.

If your air-conditioning breaks in the middle of August, your car transmission needs to be replaced, you lose your job, or a family member has a medical emergency, you will want to have some money in savings so that you can continue to pay your expenses without accumulating too much debt. Many financial experts recommend that everyone set aside some money for emergencies, usually three to six months of the income that one person in your family makes. It can take time to set this much money aside, but the key to saving money is to do it slowly and consistently. Your savings will add up over time.

▸It can help you to be able to purchase goods and services that you want and need.

Some of the things you want and need are too expensive to pay for all at once, even with a credit card. If you want to go to school, start your own business, or just take a vacation, chances are that you will not be able to afford the entire cost of what you want in your regular budget. Setting long and short-term savings goals and sticking to them will help you be able to get what you want out of your life.

Saving may seem like hard work. It's true that setting aside money in savings takes discipline, just like sticking to a budget does. You need to have patience and know that it will not happen overnight; but, saving is always worth the effort.

What are common barriers to being able to save money?

▸Higher cost of living

Let's face it, life is expensive. We all have to pay for groceries, rents or mortgages, phone bills, clothing and other things we need to survive, regardless of whether or not we have a disability. However, having a disability usually means that you have more required expenses than someone without a disability.

For example, people who own wheelchair-accessible vehicles often spend more money on gas than people without disabilities who own smaller, more fuel-efficient cars. Some people with disabilities must pay some or all of the cost of their attendant services, assistive technology, or other disability-related expenses out of pocket. Because of this, some people with disabilities have less money that they can put into savings.

▶Loans

If you took a loan to pay for your education, buy a vehicle, purchase a home, or pay for unexpected medical expenses, you are required to pay back a certain amount every month to avoid getting into more debt and damaging your credit, which means you will have less money available to save.

▶Credit card debt

Credit cards are an easy and convenient way to purchase the things you want and need, but if you are not careful to pay off all of your credit card bills at the end of each month, the amount of money that you owe credit card companies can easily become far more than what you can afford to pay back.

▶Pressure from advertising

Every day, we see, read and hear advertisements for products that companies try to convince us we need to buy. It is very hard to save money if you are always tempted to buy many of the things you see in advertisements. Some of the things that are advertised we actually need to survive, while others are only things that we think we want. Deciding which things we can do without is a good way to beat advertising pressure and find money that we can set aside for savings.

Four Steps for Saving Money Successfully

1. Set a savings goal.

Decide what you want to save money for and how much it will cost. Do you want to go on vacation? Buy a gift for a family member or friend? Purchase something nice for yourself? Save money for an emergency? Having a goal will give you an incentive or a reason to want to save money and to keep saving money once you've started. Write down your savings goal and keep it somewhere where you will be reminded of it often. If you want to, you can tell family, friends and other people you trust about your savings goal. They will probably support you as you make choices about how to spend and save your money.

2. Change your budget or make a new one to reflect the money that you set aside in savings.

Once you have a savings goal, look at your budget to see where you can find money to put aside in savings. Although you might not think that you have enough money available to put into savings, there are almost always small ways to find money to set aside. One good way to do this is to make a list of all the things you spend money on and decide which things you really need to live (needs) what things are nice to have, but that you can live without (wants).

3. Open a savings account.

Once you accumulate enough savings to have the minimum to be able to open a savings account at a bank, it is a good idea to open one. It will be easier to keep track of how much money you save, plus any money that you put in a savings account will earn interest, meaning that over time you will have more money than what you started with.

4. Stick to your savings plan until you reach your goal.

Even if you set aside as little as $1 a week, or all the spare change you collect when you clean out your car or go shopping, commit yourself to put that money in savings. It might not look like much now, but eventually it will add up. This is the beauty of savings –a very small amount of money can add up over time and help you reach your financial goals.

How to get the most out of what you save

If you do not receive government benefits like food stamps, Social Security, or other disability benefits, experts recommend setting aside at least 10% of your total earnings in savings. You can do this weekly, bi-weekly, or monthly, but you should get into the habit of putting something aside on a regular basis.

If it is too hard for you to put aside 10% of what you earn when you begin saving, start with a smaller percent of your income and work up to a higher percentage. If you work, you may be able to arrange with your employer to have part of your paycheck automatically deposited in a savings account.

When you get started saving, you will probably want to open a basic savings account at your bank. Savings accounts are designed to keep your money safe and help it to grow by allowing the money to earn interest.

Interest is the cost of using money. When you take out a loan or use a credit card, you pay a certain percentage of interest to the lender or the credit card company in order to use the money or the credit. When you put your savings in a bank, the bank will pay you interest.

With a regular savings account, you can usually deposit or withdraw money when you need to, although you should know that you will only earn interest on the money that stays in your account, which is why it is to your advantage to only withdraw money from your savings when you reach a financial goal or you really need the money.

Most savings accounts only pay a very small percentage of interest. If you want to have a bigger return on your money, different types of savings accounts are available that will earn you a higher percentage of interest than a basic savings account.

Certificates of deposit (CDs) and money market accounts are savings accounts that are good for a specific amount of time and contain of fixed amount of money. Once you put money in a CD or money market account, you cannot deposit or withdraw money from that account until the fixed time period is up. If you do, you could pay a significant fee.

Most CDs and money market accounts require that you open them with a minimum of $1,000 and the amount of interest you will earn on the money depends on how much you deposit and how long you agree to leave it there for. Generally, the more money you deposit and the longer the term of the CD or money market account, the more you will earn. Many CDs and money markets can earn between 3% and 7% interest, so they are a good investment if you have money that you don't plan to spend for awhile.

There are also savings accounts available specifically for retirement or for investing in the stock market. These kinds of investments are not guaranteed by the government and may be very risky, especially if the economy is doing poorly. For more information on savings options for retirement or investing, check out *http://www.money-wise.org*.

▶Why should I save money if I am on public benefits?

Setting aside even a very small portion of income every month is a good idea for everyone, regardless of whether or not they receive food stamps, cash benefits, or disability benefits. However, there are many special considerations that people who receive any kind of public benefits should keep in mind before they start setting money aside. With careful planning and a little extra effort, you can enjoy the rewards of saving money for a goal without affecting your benefits.

Savings and public benefits

▶Why can't I have very much in savings if I receive benefits?

The first thing to understand is that the government agencies that issue benefits like food stamps, Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI), Social Security Disability Income (SSDI), Medicare and Medicaid do not want to simply give you a free handout. These programs are set up to encourage you to get a job, earn your own money and eventually make enough money to be able to support yourself.

When government agencies determine your eligibility for benefits, one of the most important things they look at are your assets. Assets are cash, savings, or anything with monetary value that you could sell for more money if you needed it. The more assets you have, the less money in benefits you are able to qualify for, because the government agency that you receive benefits from assumes that if you wanted to, you could sell your assets to get the money you need to survive.

The most important thing to understand out of all of this is that if you save up more money or assets than you are allowed to have, you can lose eligibility for some or all of the benefits that you need. This does not mean that you cannot decide to start saving a small amount of money, you just need to do your homework to make sure you know how it will affect your benefits.

The amount of assets you can have and still qualify for certain benefits programs varies depending on the program, where you live and the kind of benefits you need. But, if you know that maximum amount of assets that you are allowed to have while still receiving the benefits that you need, it will be easier to figure out how much money you can safely save.

The process for saving money if you receive benefits is much the same as it is if you do not receive benefits. However, there are two extra steps that you should keep in mind:

1. Talk to a benefits counselor

If you are on benefits of any kind, you should talk to a benefits counselor in your community and have them explain what the asset limits are for each of your benefits programs. Benefits counselors are not the same people as your benefits caseworkers! They will not share anything you tell them with your benefits caseworkers, so you do not need to be afraid to tell them how much money you have or ask questions about how much money it makes sense for you to save. They are there to help you and will explain everything you need to know in a way that is easy to understand!

2. Keep careful track of all your money and assets

Once you have a savings account and a checking account, you will need to watch them both carefully to make sure that the combined value does not exceed the amount of assets you are allowed to have before your benefits are affected. If your balances get close to this level, take some of the money out of your savings or checking account and purchase something you need or want so the level of your total assets remains low.

Here is an example:

Jennifer is on Supplemental Security Income (SSI) and she receives $637 a month. She wants to begin saving for a vacation to Colorado next summer. When she talks to a benefits counselor, she learns that she can have up to $2,000 in assets before her benefits are cut off. She decides that she needs to save $850 to be able to go on vacation. When she looks at her budget, she sees that she can set aside $80 a month if she checks out books and movies from the library instead of buying them. She opens a savings account and carefully puts the money aside every month. When her checking and savings account statements arrive in the mail, she adds the balances carefully to make sure that she never has more than $1900 at any one time. When summer comes, Jennifer takes the money out of her savings account and goes on vacation.

Using a PASS plan to add to your savings and reach an employment goal

If you receive SSI and want to save money to be able to work, you may be able to use a Social Security program called PASS to reach your financial goal. PASS, also known as a Plan for Achieving Self-Support, allows people on SSI who want to work to "set aside" some of their earnings or benefits money to pay for something that they need to be able to work, like an adapted computer, a certificate at a local college, or a van with modified driving controls. Money that you set aside under a PASS plan does not count as assets for the purposes of receiving SSI, no matter how much money it is.

You can only get a PASS plan if you receive SSI, work with a benefits counselor to write up the plan and get the plan approved by the Social Security Administration. Doing all of this can be a lot of work, but it is worth it because it allows you to save for something you need to be more independent in a job, without affecting your benefits. Talk to a benefits counselor if you are interested in having a PASS plan.

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Your Money, Your Future!

Chapter 4

GETTING AND KEEPING GOOD CREDIT

When you are done with this part of the guide, you will:

☐ Understand what credit is and why it is important.

☐ Be able to describe the difference between good credit and bad credit.

☐ Know how you can begin to establish good credit.

☐ Understand what a credit report is, why it is important, and how you can get a copy.

☐ Understand some of the reasons why you might be denied credit and what you can do about it.

☐ Understand how you can begin to repair your credit if you do not have a good credit history.

Credit and why it's important

The easiest way to understand credit is to see it as a measure of a person's ability to responsibly borrow and pay back money. Everyone can build a credit history by taking out loans or credit and then paying it back.

Some people mistakenly think that is a bad thing to have to borrow money because they are afraid of having debt or don't want to be bothered with the responsibility of having to pay it back. However, establishing a good credit history is one of the most important things you can do as part of reaching your economic independence goals. This is because good credit is often required in order to be able to do things like rent an apartment, purchase a home, get certain kinds of jobs, set up telephone services and other utilities, qualify for insurance, take out loans and buy more expensive items like furniture, electronics and appliances. Good credit is something that everyone needs!

If you've never taken out a loan or had a credit card, you might not have any credit history at all. Not having a credit history can limit you in many of the same ways that having a bad credit history can.

Good credit versus bad credit

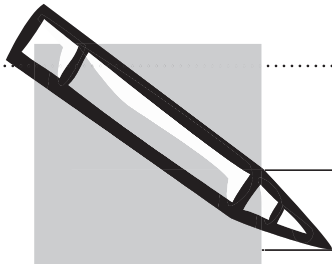
Just like budgeting and saving, building good credit takes some effort. You do not automatically get good credit, you have to earn it over time by showing that you are responsible enough to borrow money and pay it back.

▶Characteristics of people who have good credit:

- They have a history of using credit and borrowing money.
- They pay at least the minimum balance on their credit cards and other bills, on time, every time.
- They only take out loans and charge things to their credit cards when they know they can afford to pay back.

▶In contrast, here are some characteristics of people who have poor credit:

- They make some or all of their credit payments after the due date.
- They pay less than the required minimum on their credit cards.
- They have consistently high balances on their credit cards and other debts, even though they may always pay on time.
- They have declared bankruptcy or had their bills or other accounts turned over to a collections agency.



How can I begin to build good credit?

You will not be able to earn good credit until you successfully establish a credit account. Credit can take many forms, including loans and credit cards. If you've never had credit, start small. You don't have to take a huge loan or get a credit card with a large credit limit to build good credit. Once you establish credit and use it responsibly for a year or two by making payments on time, you will be well on your way to having a good credit history, and you will probably be eligible for more credit.

Here are three ways to start establishing credit:

▶*Ask companies or businesses in your local community for credit.*

Many department and other stores offer basic credit cards that you can only use to purchase items from their store. Also, a bank or credit union may approve your application for a general credit card. Make sure that if a local business decides to give you credit, that this information is entered into your credit history report.

▶*Find a co-signer.*

Depending on your situation, a store or bank may not be willing to issue you credit unless you have a co-signer. A cosigner is a friend or family member, who, by putting their name and information on your credit application, promises to pay your credit if you can't make payments. You should still be careful, because if you fail to pay back the co-signed credit or loan, it can damage both your credit and that of your friend or family member.

▶*Get a secured credit card.*

A secured credit card is a credit card issued by your bank that is backed by a deposit you make when you open the credit account. If you don't pay your credit card bill, the bank can use some of the money in that account to pay it off. However, you shouldn't rely only on the money in that account to cover your expenses on that card because it can reduce your credit limit.

Your Credit Report

Businesses, potential landlords and even potential employers can check up on your credit by looking at your credit history. All of your credit history is contained in a document called a credit report.

Credit reports are maintained by companies called credit report bureaus. When a credit card company, lender, potential landlord or employer wants to look at your credit before they decide to make you an offer, they will ask for a copy of your credit record from one of the three major credit reporting bureaus.

Your credit report contains the following information:

- Whether your payments on current and past credit cards and loans have been made on time or were paid late.
- Any outstanding balances or money that you owe on your credit cards and loans.
- Records of having filed bankruptcy or not having paid your taxes on time
- Records of any child-support or alimony payments that are overdue
- Information about any individual, lender, our company that has asked for a copy of your credit report.

Because creditors, lenders and other parties are able to look at your credit report in order to determine whether it is a good idea to give you credit or a loan, you also have a right to receive a free copy of your credit report every year. (See contact info below.)

You can order each of your free reports from the three companies at the same time, or you can order one from a different company every four months if you want to be able to monitor your credit report more closely. It is very important that you check to make sure that the information in your credit report is accurate. If it is not accurate, you could be denied credit when you would otherwise qualify for it.

When you order your credit report, you will need to tell the credit reporting bureau some basic information about you so they can give you the right credit report. This information includes your full name and current address, any previous addresses you may have lived at in the last five years, your Social Security number, your date of birth, your current employer and your phone number.

When you get your credit report, if you see that there is inaccurate information about your credit history, you should contact the credit reporting bureau that issued your credit report and ask them to fix the information that is wrong.

Checking your credit report regularly is a good way to keep track of your credit history and help protect yourself from fraud. If you are a victim of fraud or you have been denied credit for any reason, you are also eligible for a free credit report if you ask for one within 60 days.

You can get a copy of your credit report from each of the three credit reporting bureaus:

- **Experian: 1-888-397-3742 or http://www.experian.com**
- **Equifax: 1-800-685-1111 or http://www.equifax.com**
- **TransUnion: 1-800-916-8800 or http://www.transunion.com**

You can get information from all three bureaus at one Web site: www.annualcreditreport.com. Order your report on the Web site or with a toll-free call to 1-877-322-8228.

Why would my application for credit or a loan be denied?

Many people who apply for credit in the form of a credit card or loan are denied the first time. Here are some reasons why:

▸You don't have a credit history.

If you've never had credit, if you've recently started using credit, or if you haven't used credit in a long time, you might not have a credit history. Because your credit history is the only way that lenders and credit card companies can tell whether you would be a good credit risk, they could deny you credit. If you are denied credit because you don't have a credit history, you should take steps to begin to build one.

▸You have too much outstanding credit.

Many lenders are reluctant to give you more credit if you already have a large amount of credit payments outstanding. When lenders evaluate your application, they look at your income, any current credit you may have, and any debt you still have to pay. Their job as lenders is to decide whether they think you will be able to afford to pay the credit that you are applying for. They often imagine a worst-case scenario -- if something happened to you where you had to use all of the credit that you had, would your income still cover all of your credit card bills? If the answer is no, they may deny you credit.

▸You did not handle your credit responsibly.

If you have ever made late payments, failed to pay back a loan, or filed for bankruptcy, lenders may not want to give you a new credit card or loan. To improve your credit, you will have to work to resolve all your old debts and be sure to make all current and future payments on time, but you will need to be patient because it can take years before you have good credit again.

▸You are a victim of fraud.

A dishonest person may try to steal your identity and then misuse credit that they get in your name. Some people only find out that they are victims of fraud when they are denied credit that they think they would otherwise be qualified for. If you are a victim of fraud, you are not responsible for the bad things that have happened your credit because of the fraud, but you will have to work hard to prove that lenders should still give you credit until your situation is resolved.

For more information on how to protect yourself, see the section on identity theft and fraud.

BEWARE!
A Note About Credit Repair Companies

You have probably seen commercials on TV or ads in newspapers from companies that offer to fix your credit fast if you pay a fee. Before you waste your money, you should know that these services do not actually fix your credit and that many are illegal.

If you respond to these kinds of offers for credit repair, you will probably get ripped off. These kinds of credit repair scams prey on desperate people who will do anything to get the debt collectors out of their lives and put their credit back in order.

Repairing or fixing your credit is not a fast or overnight thing. It takes a lot of time and discipline to get your credit back in good shape. If you work with reputable debt counselors like those at Consumer Credit Counseling Services, you will be on your way to getting your credit back in order.

My credit application has been denied. What can I do?

When you are denied credit, the lender who denies your credit will give you a reason why and also tell you which credit bureau they got your credit report from. If you have been turned down for credit, contact the credit bureau for a free copy of your credit report.

Look at your report carefully. If you see a mistake or other inaccurate information, contact the credit bureau again to dispute the wrong information. The credit reporting agency will contact the credit or lender who supplied the wrong information to your report and see if it is actually inaccurate. If it is, it will be removed from the report. If the information is accurate, it will stay on your report, but you have the right to submit a 100 word statement explaining your side of the story. This statement will be attached to your credit report for lenders to see and may help them decide to give you credit.

▶Repairing your credit.

If you have not handled credit responsibly in the past, you probably have a poor credit record. By now you know that having bad credit is a negative thing that can affect your ability to reach your economic goals.   The good news is that if you have bad credit now, your credit does not have to stay bad forever. You can take steps to repair it, although it may take a very long time before evidence of your bad credit history is removed from your report. Negative information that is on your credit record will stay there for anywhere between seven and ten years, depending on the seriousness of the credit mishandling.

One of the first things you should do if you want to begin repairing your credit is to start paying off all your old debts and outstanding bills. Contact the lenders and companies to whom you owe money and work with them to set up a plan for paying off your debts. Since lenders and credit card companies want their money back, most of them will be happy to work with you.

If you are overwhelmed by all of your debts and don't know where to begin, you can contact a Consumer Credit Counseling Service in your community. These are nonprofit organizations that help people with bad credit figure out how to pay back their debts. Mostof their services are free or do not cost very much money.

Even after you pay off all of your outstanding debt, all of the information about the debts you had will remain in the report for 7 to 10 years. However, as you work on improving your credit, you will find it may become easier to get new credit, because debts that have been paid off or closed out look much better than those that are unpaid.

ASSET

Your Money, Your Future!

Chapter 5

PROTECTING YOURSELF FROM IDENTITY THEFT, ACCOUNT FRAUD, SCAMS AND FINANCIAL EXPLOITATION

When you are done with this part of the guide, you will:

☐ Understand what identity theft and account fraud are.

☐ Understand how to protect yourself from identity theft and account fraud.

☐ Be able to recognize if you are or have been a victim of theft or fraud and know what to do about it.

☐ Know how to protect yourself from scams.

☐ Know what financial exploitation is and how to protect yourself from it.

Protecting your identity and money

What is identity theft and account fraud?

Identity theft is what happens when someone uses your personal information and pretends to be you so that they can make purchases and open new financial accounts in your name. Account fraud is similar. It happens when someone steals your credit card number or bank account information and uses it to make unauthorized charges or withdrawals.

People who commit identity theft and account fraud can do all kinds of things that will ruin your financial standing and your credit for years, including maxing out your credit card, spending all the money in your checking account, purchasing a cell phone or cell phone plan, and opening new credit cards or checking accounts in your name.

It is much easier to commit identity theft and account fraud today than it was a decade or two ago, so it is very important that you protect your personal information. Victims of identity theft and account fraud find that it can take years of work and sometimes thousands of dollars to be able to clean up their credit. They may lose access to housing or job opportunities, loans for education or small business, or face higher interest rates because the identity thief made such a mess of their credit.

Thieves can use personal information to commit identity theft or fraud, including your:

- **name**
- **Social Security number (SSN)**
- **birth date**
- **mother's maiden name (the name she had before she got married)**
- **driver's license or state identity card**
- **credit card number**
- **bank account number**
- **credit report**

How can I protect myself from identity theft, account fraud, or someone stealing my money?

▶Monitor your credit.

You are entitled to a free credit report from each of the three credit reporting companies every year. Make sure you get a copy of each of your credit reports and check them carefully to make sure that there is nothing unauthorized on them, such as credit card accounts that you did not open, purchases made on credit that you did not buy, or loans that you did not authorize.

For more information on how to monitor your credit, see the section on credit earlier in this guide.

▶Protect your personal identification numbers, bank cards and money.

- *Never carry your Social Security card or number in your wallet or purse.* Even when applying for jobs or using your Social Security number for other purposes, people will rarely ask to see your actual Social Security card. It is best to memorize the number if you can and keep the original in a locked file cabinet or safe deposit box.
- *Watch your wallet or purse at all times.* Do not leave it where someone else could grab it easily, such as on the back of the chair in the restaurant or on the back or side of your wheelchair or walker. If you want to hang it on your chair or walker, make sure that it is in your lap or that the zipper or other closure faces your body.

- *Do not let anyone, even people you know and trust, go through your purse or wallet.* Unfortunately, many people with disabilities have had their money or account information stolen simply because they trusted that the person who was helping them handle their money wouldn't steal it from them. If you need someone's help to get your debit card, credit card, or cash out of your purse or wallet, watch them carefully every time.

  For example, if you ask someone to get $20 out of your wallet, make sure they only take $20 and have them show it to you before they hand it the clerk or cashier. Never keep large amounts of cash or cards in a dresser drawer or some other place where someone you trust could take it when you are not looking.

- *Change your PIN frequently.* If you need someone to help you enter the PIN on your debit or credit card, it is a good idea to change the PIN frequently— at least once a month, if not more often.

- *Never give your credit card or debit cards to someone to go shopping for you.* If you can, you should always accompany your personal attendant or the person who is helping you run the errand. If it is not possible for you to go along with that person, be clear about how much you want to spend on the card and ask to see all the receipts when they return. In this case, it is particularly important that you keep track of your bank and credit card statements to make sure that they are not spending money on things other than what you ask them to purchase. If you have access to online banking, it is a good idea to log-in to your accounts daily or weekly to monitor your spending.

▶Monitor your account statements and other financial information carefully.

- *Always look at all of your financial statements and bills when they arrive in the mail.* Look for any transactions that are unusual or that you don't remember making and report them to the billing or financial company right away.

- *If any financial statement, bill, or checks that you have ordered don't arrive in the mail when you think it will, call the company to see if they mailed it.* If you are afraid that someone may steal your statements, bills, or checks out of your mailbox, make sure it is locked, open a post office box, or see if you can access your bills or statements online.

- *If you have to mail a check or other money, do not put it in your mailbox.* Take it directly to the post office where you can make sure that it gets mailed.

- *When you are at home, keep your bank and credit card statements and other personal information in a place where they cannot easily be seen by visitors or people who work for you, such as in a locked file cabinet or other safe place.* Do not leave them lying around your house or apartment.

▶Be careful who you do business with.

- *Never give out your bank account number, credit card number, Social Security number, mother's maiden name or other personal information over the phone or e-mail, no matter how legitimate requests for such information may seem.* If someone calls you asking for this information, take the phone number and, then, call the bank or company to see if the request is valid. Remember that legitimate companies will not call or e-mail you to request your personal information.

- *Only do business with or open accounts at banks or businesses that have a reputation for being trustworthy.* If you're not sure whether a bank, credit company, charity or other business is reputable, check with the Better Business Bureau in your community. You can find your local Better Business Bureau online at *www.bbb.org.*

How can I tell if I am a victim of identity theft or account fraud?

Many people don't realize they are victims of identity theft or account fraud until it is way too late and they have been ruined financially. It is possible to recognize the signs of account fraud or identity theft before it is impossible to fix.

Here are four signs that you might be a victim of identity theft or account fraud:

- *Your credit report contains information about accounts that you don't recognize or credit from businesses that you've never done business with.* Check with the credit reporting bureau about information that doesn't look right and file a report to fix it.
- *You don't receive your bills, statements, or other financial mail when you think you should.* A missing bill or other statement may mean that someone has been able to access your information and changed your mailing address, or that someone has stolen the statement out of your mailbox. Check with your bank or the company to see if they have mailed your statements.
- *There are mysterious purchases listed on your credit card or checking account statements, or you start receiving phone calls from bill collectors about paying for things that you never purchased.* Investigate these purchases and phone calls immediately. If you receive a credit card you didn't apply for, find a strange charge in your credit card or get calls or letters from bill collectors about bills you don't recognize, call the companies immediately to address the problem.
- *You are denied credit you should have received.* If you know have good credit, but your application for a new credit card is denied, it could mean that your identity has been stolen. Every time that you are denied credit, you have the right to receive a free copy of your credit report from the credit bureau that your lender or credit card company uses.

What do I do if I am a victim of identity theft or account fraud?

If your identity or account information has been stolen and used to hurt you financially, follow these steps to obtain proof of the crime and limit the damage that can be done to your financial standing and credit:

- *File a report with your local police department.* Get a copy of the report and write down the incident number assigned to the report so you can follow up. Download and fill out a free ID Theft Affidavit form and the Federal Trade Commission Web site (http://www.ftc.gov/idtheft). This will help you when you need to prove that your identity or account information has been stolen.
- *Contact the credit bureaus and place a fraud alert on your credit reports.* Fraud alerts stop identity thieves from being able to open credit accounts in your name, but you can only get them if your identity has been stolen.

  Fraud alerts can be good for 90 days or up to seven years. They require you to verify your identity every time you want to get new credit. This means that it can take longer for you to be approved for a new credit card or line of credit, so keep this in mind.

  If your identity is stolen, you are entitled to a free credit report from each of the three credit bureaus. Depending on how long the fraud alert remains on your account, you could be eligible for additional free credit reports to help you keep track of fraudulent activity on your account. Make sure you get these credit reports.
- *Monitor your accounts.* Call the security or fraud department at the bank or company where a fraudulent account was opened, and have it shut down. Follow up the phone call with a request in writing.

- *Request copies of any applications that may have been filled out to open a fraudulent account in your name.* Banks and other companies are required by law to give you copies of these applications for free and they may help you to prove that your identity or account information has been stolen.
- *Create new PIN numbers and passwords for all of your accounts, both new and old.* Make sure that they are not easy to guess.
- *Ask how to clean up your account.* If the person who has committed theft or fraud has done so using an account that you already had, ask the bank or company what you can do to get your money back or clean up the account. You may ask to close the account and open a new one.
- *Ask the bank or company for a letter stating that all of your fraudulent accounts have been closed and that all existing accounts have been cleaned up or reopened as other accounts.*

What is financial exploitation?

Financial exploitation is when someone you trust steals your money or takes advantage of your assets and services for their own gain. Financial exploitation is always a crime and should never be tolerated.

Financial exploitation of people with disabilities can take many forms, including identity theft, account fraud and scams, but people with disabilities should also be especially careful that they are not exploited by the family members, personal attendants or other people that they trust.

Here are some ways to recognize financial exploitation. The examples listed below are not an exhaustive list of other forms of financial exploitation nor are they always considered financial exploitation.

- *If your personal attendant or other person who helps you suddenly demands a raise, wants to be paid in a way that you haven't previously agreed to pay them, or threatens to quit if you don't give them money, this could be financial exploitation.*

  They could have legitimate concerns about when, how and how much they are paid, but you should never agree to change their compensation in order to get them to stop intimidating you, because it could give them the idea that they can exploit you for more money. Arrange to have a meeting with yourself, your attendant and any other people you want to have present in order to calmly discuss the grievances and how to best resolve them. Put all of your financial agreements in writing, both when you hire them and when you change anything about their compensation.
- *If your family member or another person who has access your checking account or assets takes money without your permission and claims that they are doing so to compensate themselves for all the things they do for you, this could be financial exploitation.*

  Unless you've previously agreed to pay them a certain amount for helping you or authorize them to take out a certain amount of money to pay for things that you need, they have no right take your money, nor do they have the right to access more money than you have allowed them to. As with the first example, you should have a meeting between yourself, them and anyone else you want to have present to talk about how to resolve the issue. If they have taken more money than they are entitled to, you should work out a plan for how they will pay it back.
- *If someone else has the legal authority to manage your money and spends it on themselves, other family members, or things that aren't meant to help you or provide for your needs, this could be financial exploitation.*

  Even if you do not have the legal right to manage your own money, in most cases you can still call your local Advocacy, Inc. office and ask them how they can help you make sure that your money isn't being used in ways that it shouldn't be.

IMPORTANT! If you think you are being financially exploited because you have a disability, contact Advocacy, Inc. and ask for advice. Advocacy, Inc. is a statewide organization that protects the legal rights of people with disabilities. Check out their Web site at www.advocacyinc.org for more information about the office closest to you, or call the toll-free number: 1-800-252-9108.

More tips for avoiding scams and financial exploitation

From unsolicited visits by home-improvement contractors who claim that you need your chimney fixed tomorrow to e-mails claiming you've won a foreign lottery, scams to rip you off are everywhere. There are too many of them to list here, but if you follow these tips, you can protect yourself from almost any scam that comes your way:

- Don't ever respond to an e-mail or phone call asking for your personal information, even if the caller is from an organization, that seems reputable, like your bank or a deserving charitable organization. Hang up and check with your bank or Better Business Bureau first.
- Don't be afraid to say "no" or firmly tell the person who calls that you are not interested in their offer.
- Do your own research on charities and other solicitors before you give money. Ask questions about how your money will be spent. It's your money; you should know where it's going.
- Always carefully research any investments that you want to make. You can lose money, even on investments that are legitimate.
- You don't have to talk to telemarketers. Ask them to take you off their call list and then hang up. They are required to remove your from their call list by law. You can also sign up for the National Do Not Call Registry at *www.donotcall.gov* or by calling (toll free) 1-888-382-1222. This service is free and will block telemarketing calls from your landline or cell phone number for five years.
- Never sign any contract that has blank lines in it. Someone may add lines to the contract at the sign it that could be used to exploit or harm you.
- Never sign a home or other loan until a knowledgeable third-party looks at it and tells you that it is okay to sign. A disreputable lender could use a bad loan to take advantage of your home or other assets.
- Never allow someone to take over guardianship of your finances or decisions unless you know them well and trust them. You have a right to make your own personal, legal and financial decisions unless a court of law declares that you are unable to do so.
- Always get everything in writing. If you are scammed or taken advantage of, having the details of what you agreed to in writing may help you to undo the damage or recover your money.
- And always remember, if it sounds too good to be true, it usually is.