

FINANCIAL WELLNESS TOOLKIT

bmifcu.org/education



- Self-Assessment
- Goal Setting
- Saving
- Spending Tracker
- Debt Management
- Planning/Budgeting

FINANCIAL WELLNESS TOOLKIT

Our toolkit starts with you.

Take a good look at where you currently stand, and then consider what it is you want to achieve.

From there, it's just a matter of having the right tools. Here at BMI Federal Credit Union, we want everyone to succeed. With that in mind, we've developed our award-winning financial education program. Whether you're looking to grow your savings or shrink your debt, BMI FCU has the educational tools you need.

Our online resources include videos, articles, and learning modules designed to educate and entertain. You can browse or search by topic to learn more about almost any personal finance subject. We also offer one-on-one coaching free for our members, as well as a monthly newsletter featuring valuable tips and helpful articles.



This toolkit was designed for hands-on learning, and it includes everything you need to understand and control your finances. We start with a status check and a commitment to goals, and then move on to getting an accurate picture of your spending habits. From there, you can tackle your debt, teach yourself to be a saver, and then put the plan together with a watertight budget.

ASSESSMENT & GOALS

PART ONE



ASSESSMENT & GOALS

Before you can see where you are going, you have to know where you are. We can help you assess your situation and set lasting goals.

The resources in Part One include:

- **Self-Assessment:** This form is your starting point. It serves to highlight areas of strength and areas needing attention in your personal finances. It includes ten topics fundamental to financial security. Take the following steps to complete the form:
 - Step One: Read each statement and rate how it applies to you.
 - Step Two: Determine areas of concern and develop an action plan.
- **Smart Goals Worksheet:** This form gives you the space to identify financial goals and priorities. The SMART (Specific, Measurable, Attainable, Realistic, Time-bound) reminders are helpful for forming realistic and achievable financial goals. Take the following steps to complete the form:
 - Step One: Write a goal.
 - Step Two: Reflect on the questions.
 - Step Three: Adjust your goals to be SMART.

Taking the time to thoughtfully consider and formulate your goals is a critical step in achieving financial progress--what you want matters! Clear and meaningful goals can keep you on track and help you deal with unanticipated setbacks on the path to success. You deserve financial stability! Your SMART goals can help you get there.

SELF-ASSESSMENT

Rate how each of the following financial statements apply to you:

NOT AT ALL - SOMEWHAT - COMPLETELY

	1	2	3	4	5
I am able to pay my bills and loan payments on time each month.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
My spending is controlled and reflects my goals and values.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I have an emergency fund that I add to on a regular basis.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I am saving for retirement on a regular basis.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I have been saving for my dream/goal.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I know my credit score and how to improve it or keep it strong.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
My debt is manageable, intentional, and connected to my goals.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I have adequate insurance for my life situation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I understand my taxes and I am up to date on all of them.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I have access to sound and ethical financial services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

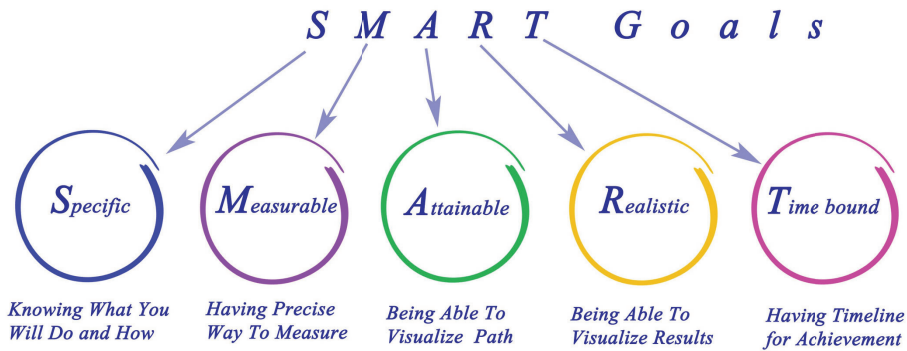
Check your results. Your 4 and 5 ratings indicate areas where you're doing well, while a lower rating suggests an area of concern.

My biggest concerns: _____

I will learn more about: _____ by: _____

My action items: _____ by: _____

MY FINANCIAL GOALS



For each of your financial goals, ask yourself the following questions:

- SPECIFIC
 - What will be accomplished? What actions will be taken?
- MEASURABLE
 - What data will measure the goal? How much?
- ATTAINABLE
 - Can I achieve this goal? Do I have the skills and resources?
- REALISTIC
 - How does this goal fit into my life? Does it align with my values?
- TIME-BOUND
 - What is the time frame for accomplishing the goal?

GOAL #1 _____

GOAL #2 _____

GOAL #3 _____

PLAN FOR SAVING

PART TWO



PLAN FOR SAVING

Saving money comes easily to some people, but for others, becoming a saver can be a lifelong endeavor. In addition to providing financial security, saving is often the only path to a dream or goal.

The resources in Part Two include:

- **Successful Saving:** Explore the three fundamentals toward successful saving.
- **Emergency Fund Tracker:** Set a realistic goal toward building an emergency fund. Track your progress and celebrate the small victories along the way.
 - Step One: Set a goal of \$1,000. Consider how much and how often you can contribute to this goal and set a deadline.
 - Step Two: Track your progress.
 - Step Three: Use the checkpoint chart to organize smaller goals along the way.
 - Step Four: Reward your successes!
- **Visual Savings Tracker:** This worksheet is for people who like to have a visual representation of their goal and their progress.
 - Step One: Draw or affix a picture into the space provided. Put this someplace where you'll see it often, to keep you motivated.
 - Step Two: Every time you add money to your savings, log the date and the amount and color in the the corresponding space in the jar.
 - Step Three: Watch your jar fill as your savings grows!

SUCCESSFUL SAVING

Whether you're saving up for a sunny vacation or gathering pennies for a rainy day, the fundamentals of saving are the same:

ONE

Pay Yourself First

Successful savers prioritize their futures, putting money into savings before paying bills or spending on fun.

TWO

Automate It

Setting up a direct deposit or automated transfer into your savings account ensures that the saving happens even when you forget!

THREE

Avoid Lifestyle Creep

A pay raise or windfall may seem like a chance to introduce a new level of luxury, but it's wiser to save the bulk of your newfound money.

EMERGENCY FUND TRACKER

Start with a savings goal of saving \$1,000. Determine how much you can save on a regular basis (weekly, bi-weekly, or monthly) and figure out the date you will reach your goal.

I will establish an emergency fund of \$1,000 by _____

TRACK YOUR PROGRESS

DATE	DEPOSIT	TOTAL

CHECKPOINTS

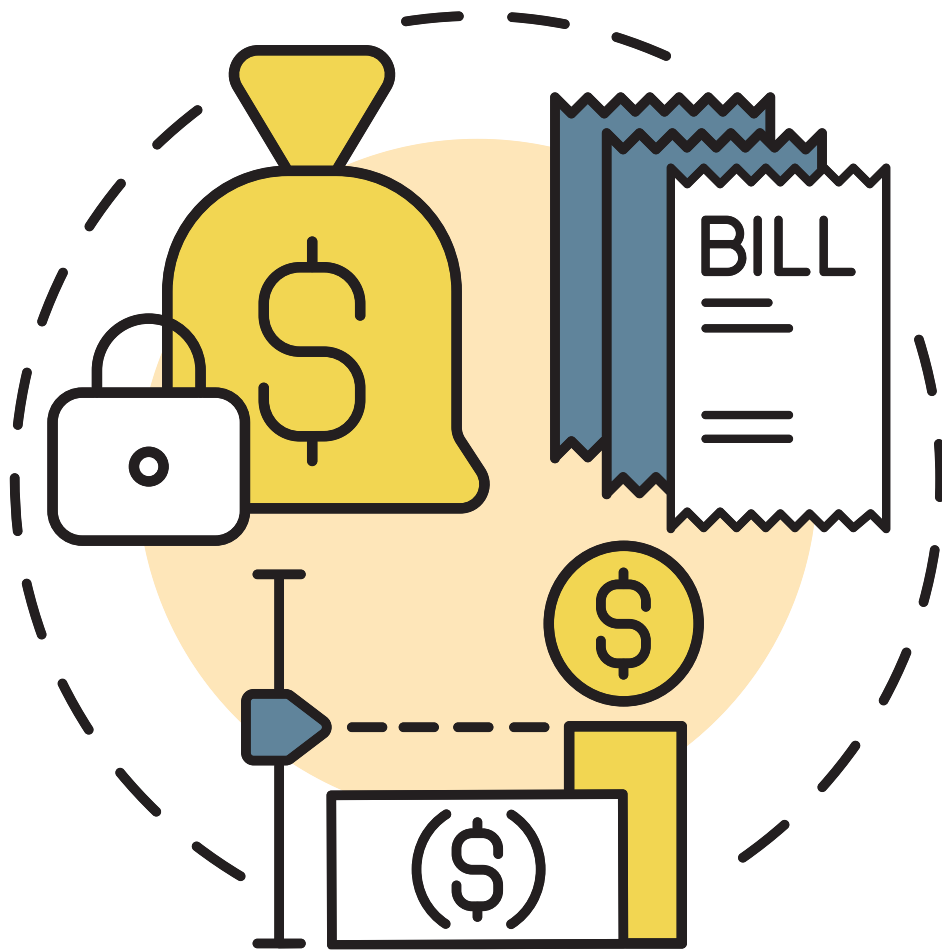
Small goals can help you reach a bigger goal. Set deadlines to stay on track.

DEADLINE	GOAL	SUCCESS!
	\$250	
	\$250	
	\$250	
	\$250	

Once you have your emergency fund established at \$1,000, continue to grow it so you can cover three to six months of essential living expenses.

TRACK YOUR SPENDING

PART THREE



TRACK YOUR SPENDING

Tracking your spending is a powerful way to get on top of your finances. The tools in this section will help you track and categorize your current spending behaviors.

The resources in Part Three include:

- **Weekly Spending Tracker:** This form helps you to track your spending daily and puts each transaction into a specific category. You can add additional categories in the blank spaces if needed.
 - Step One: At the end of each day, look at your receipts or your online banking to see what you've spent.
 - Step Two: Log the amounts in the corresponding places in the chart.
- At the end of the week, add up your total spent by category and then calculate a grand total for the week.
- If needed, you can change categories or use the blank space to add your own.
- **Monthly Spending Tracker:** This form helps add up what you have spent over an entire month, by category.
 - At the end of the month, add up your total spent by category and then calculate a grand total for the month.
 - Again, you can add additional categories if needed.

While the Weekly Spending Tracker will help you get into the habit of tracking spending daily, the Monthly Spending Tracker shows the bigger picture of your spending habits. We suggest you commit to three months of tracking to get a clear picture of your spending. Most people see their their spending habits improve while tracking.

You may use either of the trackers, or use both together. Choose what is going to work best for you.

WEEKLY SPENDING TRACKER

WEEK OF: _____

EXPENSE	MON	TUES	WED	THURS	FRI	SAT	SUN	TOTAL
Mortgage/Rent								
Home Insurance								
Utilities								
Phone								
Internet/Cable								
Subscriptions								
Other Home Expenses								
Car Payments								
Gas								
Car Insurance								
Car Maintenance								
Health Expenses								
Clothes/Gifts								
Savings								
Credit Cards								
Loan Payments								
School Expenses								
Groceries								
Eating Out								
								GRAND TOTAL:

MONTHLY SPENDING TRACKER

WEEK OF: _____

EXPENSE	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	TOTAL
Mortgage/Rent						
Home Insurance						
Utilities						
Phone						
Internet/Cable						
Subscriptions						
Other Home Expenses						
Car Payments						
Gas						
Car Insurance						
Car Maintenance						
Health Expenses						
Clothes/Gifts						
Savings						
Credit Cards						
Loan Payments						
School Expenses						
Groceries						
Eating Out						
WEEKLY TOTALS:						

MONTHLY TOTAL

UNDERSTAND YOUR DEBT

PART FOUR



UNDERSTAND YOUR DEBT

Everyone is unique, and so is their debt. There's not a one-size-fits-all solution to dealing with debt, so understanding the specifics of your own situation is critical.

The resources in Part Four include:

- **5 Steps for Unwanted Debt:** There are five necessary steps to take when you start the journey toward eliminating debt. This information sheet explores them all.
- **Monthly Debt Log:** This log will help you organize your debts so you can be strategic about repayment.
 - Step One: Gather the information on all of your debts: the name of the creditor, the total balance due, the interest rate, the monthly minimum payment, and the due date.
 - Step Two: Fill in the chart. Pay close attention to the total balance due, the interest rates, and the total monthly payment.
 - Step Three: Choose a repayment strategy and decide which debt you'd like to pay off first.

The log is designed to be filled out once per month. Looking up and recording the interest rates on your loans every month is especially important for variable-rate loans, credit cards, and promotional rates.

- **Debt Repayment Strategies:** This handout explains some of the different debt repayment strategies that you should consider when creating your plan.

5 STEPS FOR UNWANTED DEBT

Reducing and eliminating debt requires attention to the details of your individual circumstances. Important steps in this process include:

1: stop

Stop borrowing: Put barriers in place to keep yourself from using your credit card and borrowing more money.

2: reflect

Reflect how you got here: Did an emergency cause you to borrow, or was it impulsive spending? You must understand how your debt accrued to build better habits and make better financial decisions.

3: analyze

Analyze your situation: What kind of debt do you have? Run the numbers for each debt and determine the balance owed, the interest rate, the remaining term of your loan, and the minimum payment. Seeing the big picture helps!

4: understand

Understand your options: You may think you have to pay it down as-is, but you might qualify to transfer into a lower interest rate or consolidate your debt into one loan. Determine if extra money can be allocated to your debt.

4: create

Create a plan: Once you understand your debt situation and what options are available, choose a strategy to reduce or eliminate your debt.

MONTHLY DEBT LOG

- Fill out the chart. Include all of your outstanding debts.
- Review the payment strategies on the next page. Consider your situation and personality when deciding which to use.
- Choose a debt to pay off first, considering your priorities.
- Each month, pay the minimum due on all debts, adding any extra money you can spare to the debt you want to eliminate first.
- Once one debt is paid off, move the money set aside for it each month onto the next debt, and continue snowballing the payment until all debts are paid off.

MONTH: _____ YEAR: _____

NAME OF CREDITOR	TOTAL BALANCE PAYOFF	INTEREST RATE	MONTHLY MINIMUM PAYMENT	DUE DATE/NOTES
TOTAL:		TOTAL:		

DEBT REPAYMENT STRATEGIES

Debt can be stressful and expensive, and sometimes there doesn't seem to be a clear path toward paying it off. To make it easier, we've outlined three of the most effective debt-elimination strategies.

THE SNOWBALL METHOD

- Debts are arranged and paid from smallest balance to largest balance.
- Once a debt is paid off, the money that would have gone to its repayment is applied to the next-smallest debt instead.

This strategy is great for beginners, or anyone who needs to see progress to stay motivated. The ability to quickly remove debts from your list can give you the boost you need to keep going.

THE AVALANCHE METHOD

- Debts are arranged and paid from highest interest rate to lowest.
- Once a debt is paid off, the money that would have gone to its repayment is applied to the one with the next-highest interest.

This strategy eliminates your most expensive debt first, making it the most mathematically-powerful method. It requires discipline, however, as your most expensive debt may have a high balance and therefore take longer to pay off.

CONSOLIDATION

- A new loan is taken out and the borrowed money is used to pay off all of your other debts.
- You are then left with only one debt to keep track of and pay off.

Consolidation is best for people who struggle to keep all their due-dates straight. By simplifying, you are far less likely to miss a payment. Be sure to check all of your loan terms, however. Make sure you aren't paying more in interest and fees.

PUT YOUR PLAN TOGETHER

PART FIVE



PUT YOUR PLAN TOGETHER

The process of budgeting can be daunting, particularly when you're new to it, but a sound budget can lead to having money left over, rather than scrambling to make ends meet until payday.

The resources in Part Five include:

- **Budgeting Strategies:** There is more than one way to go about budgeting. Use the different budgeting methods as guidelines as you start building your own plan.
- **Monthly Planning Tracker:** This worksheet helps you break your spending into categories, making it easier to estimate what you spend and therefore how much you must budget for each entry.
 - Step One: Record your monthly income.
 - Step Two: Use one or more budgeting strategies to estimate how much money you expect to spend in each category.
 - Don't forget savings!
 - Don't forget debts!
 - Allow enough for needs before budgeting wants.
 - Step Three: At the end of the month, record the actual amounts spent in each category.
 - Step Four: Subtract to find the difference between what you planned and what you actually spent.
 - Step Five: Use that information to create a more accurate budget next month.

Budgeting is never a one-and-done scenario. The longer you do it, the more accurate your budgets will become.

BUDGETING STRATEGIES

50/30/20

Getting your budget's proportions right is a great place to start:

- **50%** of your income should be spent on NEEDS.
- **30%** can be dedicated to WANTS.
- **20%** goes to SAVINGS.

This ratio may not work exactly with your personal situation. It's not unusual for needs to take up more than 50% of your budget. In those cases, adjust as needed. For example, you can always pull money from your wants to fulfill your needs.

Reverse Budgeting

Reverse budgeting prioritizes saving.

- Start by deciding how much you will SAVE toward your goals.
- Account for your NEEDS.
- Any money left over can be used for WANTS.

Zero-Based Budgeting

A zero-based budget accounts for every penny. You'll need to know exactly how much you spend in your different categories, but it's a great way to ensure nothing is wasted!

- Start by deciding how much you will SAVE toward your goals.
- Account for your NEEDS.
- Categorize and divide what's left for your WANTS.

Envelope Budgeting

Envelope budgeting is an effective way to limit excessive spending.

- Once you've decided how much money to spend in each category, take out cash and put it into envelopes.
- Once an envelope is empty, you have no more money to spend on that category.
- Apps can simulate this, if you don't wish to use cash.

MONTHLY PLANNING FORM

Income/Assets	Net
Primary Employment	
Secondary Employment	
Retirement/Pension	
Child Support	
Social Security	
SNAP Benefits	
Other Income	
Prior Month Carryover	
Total Net Income:	

Month/Year: _____

Net Income: _____

Budget/Plan: _____

Remaining Funds: _____

HOUSING

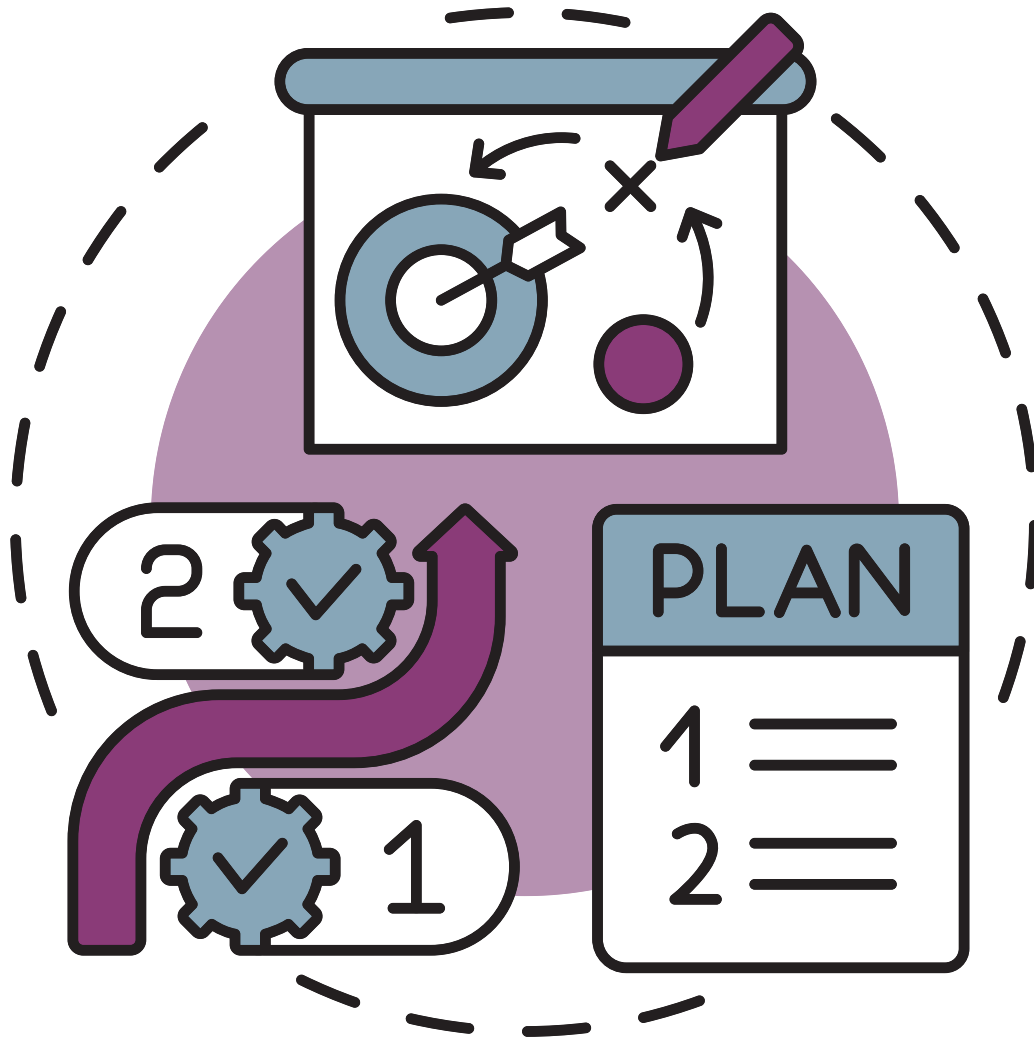
Category	Budget/Plan	Actual	Difference
Mortgage/Rent			
Home Insurance/Renter's Insurance			
Electric			
Gas			
Trash/Recycling			
Water/Sewage			
Internet/Cable			
Cell Phone			
Media Subscriptions			
HOA/Warranties			
Housing Total:			

TRANSPORTATION

Car Payment(s)			
Car Insurance			
Gas/Fuel			
Maintenance			
Parking/Tolls			
Transportation Total:			

STICK TO YOUR PLAN

PART SIX



STICK YOUR PLAN

Even the best plans work only when you stick to them, and sticking to a budget can be as difficult as sticking to a new diet. However, the big picture--financial peace of mind--can be a terrific motivator.

The resources in Part Six include:

- **Cash Flow Calendar:** When there are a lot of bills to pay, it's easy to forget them and miss deadlines. Use this tool to avoid missed and late payments.
 - Step One: Record your monthly goals.
 - Step Two: List your bills: creditor, due date, and amount. Also list variable expenses, which may not have specific amounts or dates.
 - Step Three: Use the calendar to track paydays and due dates, so that you can easily match up paychecks with bills. To avoid surprises, make sure every expense is accounted for!
- **This Week's Meals:** Most people who find themselves eating out too much do it not because they're too tired to cook, but because the emotional labor of deciding what to cook is exhausting. Meal planning solves this, and our meal planner includes shopping list space so you can know you have the ingredients on hand.
- **From My Future Self:** This whimsical exercise is all about putting your goals and plans first, helping you focus on the big picture for your finances. Simply fill in the blanks as if you were speaking from an imagined, ideal future.

THIS WEEK'S MEALS

Sunday	EAT OUT <input type="checkbox"/>	SHOPPING LIST breakfast * lunch * snack * dinner	
Monday	EAT OUT <input type="checkbox"/>		
Tuesday	EAT OUT <input type="checkbox"/>		
Wednesday	EAT OUT <input type="checkbox"/>		
Thursday	EAT OUT <input type="checkbox"/>		
Friday	EAT OUT <input type="checkbox"/>		
Saturday	EAT OUT <input type="checkbox"/>		

FROM MY FUTURE SELF

Imagine yourself in ten years. What does that version of you need and want?
Connecting to your future self can help you plan for long-term goals.

Dear _____,
[YOUR NAME]

Hello! this is your “future self” ten years from now. You, my younger self, are very important in my life, even though we’ve never met. I’m writing to tell you about my life.

I live in _____ . Two people I like to spend time with are _____
[PLACE YOU WANT TO LIVE] [NAME OF A PERSON]
and _____ . For work, I am a _____ .
[NAME OF A PERSON] [FUTURE JOB/CAREER]

When I am not working, I like to _____ . I like to go on
[HOBBY OR PASTIME]
vacation in _____ . The three words that best describe my
[PLACE YOU WANT TO VISIT]
life now are _____ , _____ , and _____ .
[DESCRIPTION] [DESCRIPTION] [DESCRIPTION]

One hard thing I had to do to get here is _____ .
[SOMETHING YOU MUST DO TO GET TO YOUR FUTURE SELF]
But it was worth it! The best part of life today is _____ .
[SOMETHING YOU WANT FOR YOUR FUTURE SELF]

Before I say goodbye, I want to give you some advice:

[ADVICE FOR YOUR FUTURE SELF]

Sincerely,

Future _____
[YOUR NAME]

FINANCIAL WELLNESS TOOLKIT

“The most difficult thing is the decision to act.
The rest is mere tenacity.”

--Amelia Earhart

Now that you have the basic tools for financial success, it's all a matter of using them. Habits can be hard to change, and you may have setbacks, but financial wellness is something we can all achieve, no matter the size of our paychecks. Stick to this toolkit's plan and, in time, you will become a saver, you will manage your debt, and you will improve your well-being by getting control of your finances.

If you need more help along the way, however, consider seeking out the support of a trusted financial institution.

Financial wellness can bring you security and peace of mind.
BMI FCU can bring you financial wellness.



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For a free session with a financial coach:
<https://www.bmifcu.org/coach.html>