

**WELCOME TO**

***JOINT CULTURAL ORIENTATION***

This program is a cooperative effort of  
PARA/Bethany, Lutheran Social Services,  
and Refugee Support Services.

# **Finances**

**Banking, Budgeting,  
and Planning for the Future  
in America**

# ***FINANCES FOR THE NEWCOMER***

**The Basics**

# Bridge Card



1. Funds are deposited automatically
2. Food stamps (use for purchasing food items only)
3. Cash (if you qualify for cash assistance)
  - a. At Meijer, you will be allowed to withdraw up to \$100 at service counter
  - b. At Family Fare, you have to make purchase, then you can withdraw cash
  - c. At ATM's you can withdraw as much as you want but it will cost you \$2.50 each time.

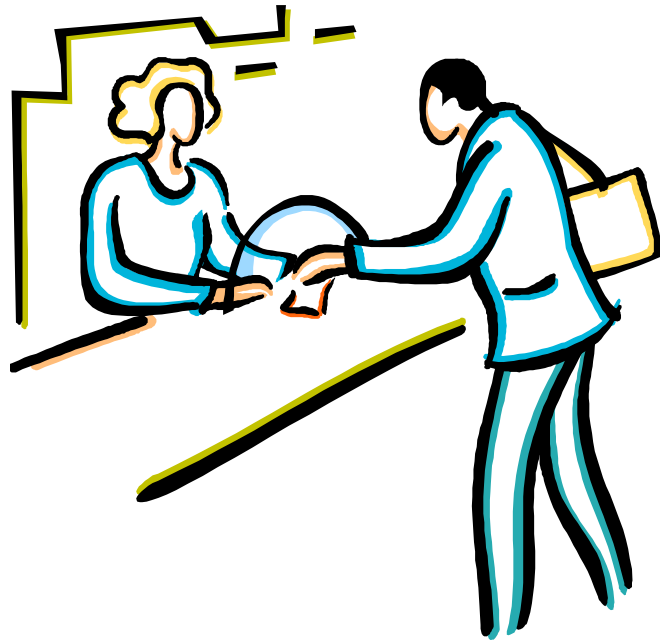
# Pay Stub

*Some are attached and some are separate.*

1. Deductions – the following are some deductions that may be listed on your pay stub
  - a. Taxes – federal, state, sometimes local
  - b. Medicare – future benefit
  - c. Social security – retirement benefit
  - d. Others (i.e. insurance, donations, etc.)
2. ***Save the stubs!***

# When you receive your pay check you may...

- Cash it, or

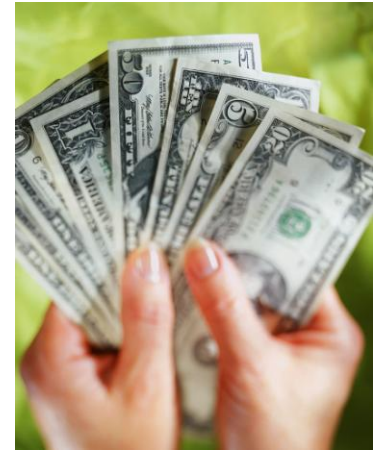


- *Deposit it*

# You can write checks to...



## Get Cash



## Pay Bills

*This is called leaving a “paper trail” and is helpful in keeping track of expenses.*

# Paying Bills

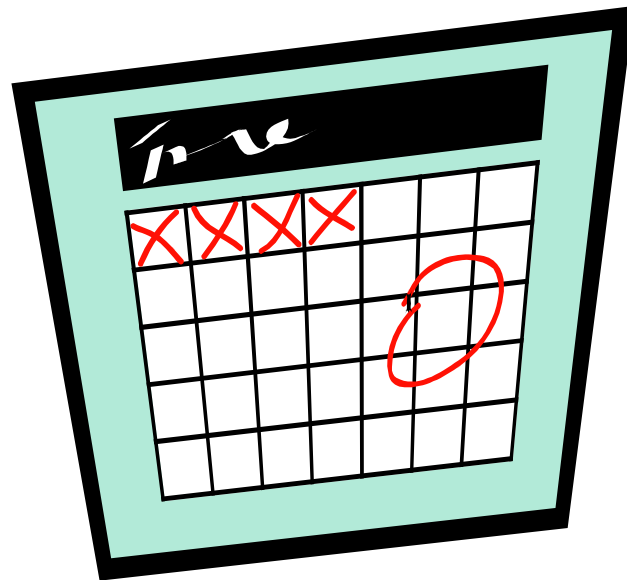




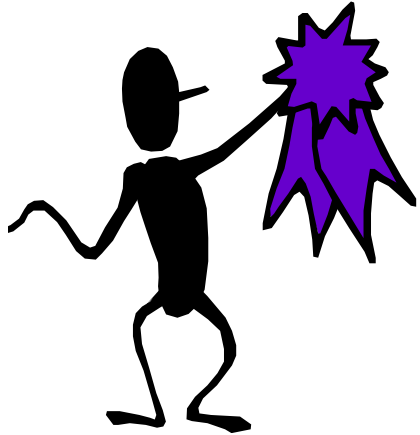
It is best to pay by check.



Always pay on time.

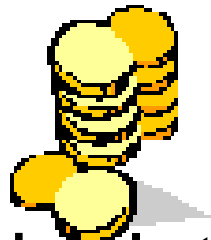


# This will help you...



- Establish good credit rating for future large purchase.

- Avoid late fees.



- Maintain a good relationship with a creditor, even if sometimes you must pay a reduced amount.



# Receipts – *Always Save Them!*

- This will help you keep track of the balance in your Bridge Card account.
- It will also help with budgeting.
- Receipts will be needed if you must return something.





# Make a plan – and stick to it!





A Budget is a Plan for How to  
Use Your Money



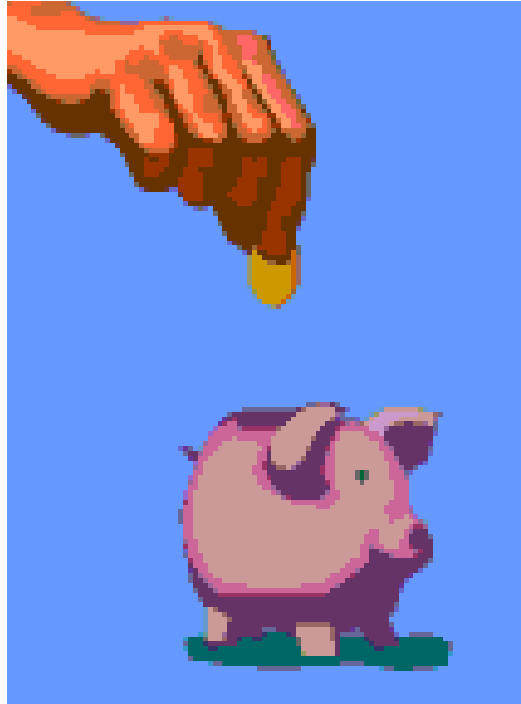
There is help available for  
budget planning.





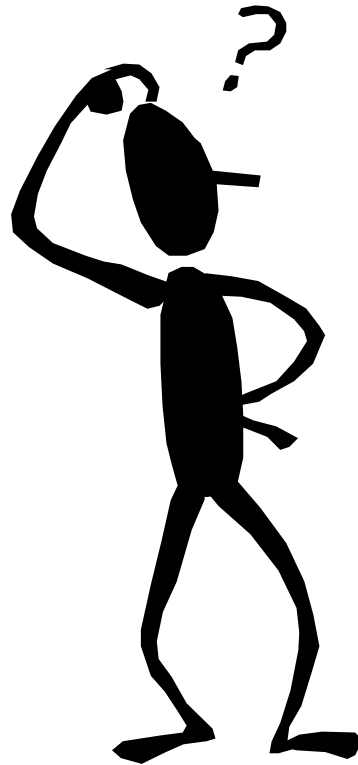
When you have paid your bills, if  
there is money left,  
don't just spend it.

***Save it!***



You may need it in the future.

When you pay your bills, if there  
is not enough money,  
make a plan for what to do.



# Look for ways to get more money.

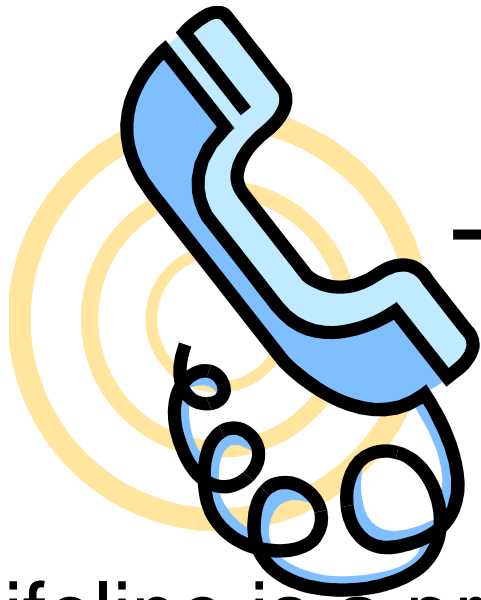
- Find a better job.
- Look for additional work, like overtime, or an extra part time job.
- Consider having your spouse find additional work.

# Look for places to cut spending.



You may think there is no place in your budget to cut anything. But you may be surprised that many “little things” can make a big difference.

Take Advantage of  
Opportunities to Save Money  
on expenses in your  
Monthly Budget



# Telephone

- Lifeline is a program with the phone company that can save you money.
- Phone Cards – look for the best prices for the countries you call the most.

*Note: Remember, calling cell phones in other countries is more expensive.*

# Utilities

- You may qualify for reduced rates from utility companies because of your income.
- You may be able to work out special payment plans to avoid big heat bills during the winter.
- You may be eligible for assistance from agencies that help pay utility bills for low-income people.

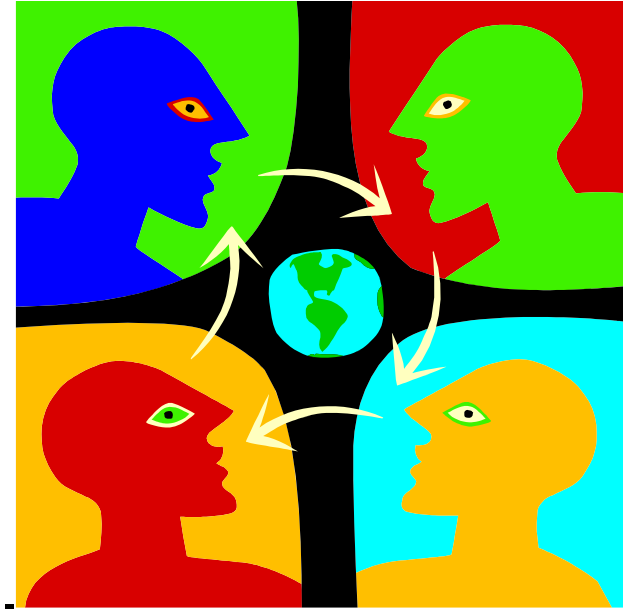


***Remember to ask about these!***



# Networking

- Talk to your friends, relatives and co-workers.
- Find organizations that are set up to help low-income families.
- Trade time for home maintenance/auto repair etc.



# Be Aware of Potential Problems



# Credit Cards

- You may pay high interest rates if you do not pay in full each month
- Credit card use can lead to “impulse buying”





# Buying a Car on Credit

- Often leads to buying a more expensive car than you can really afford
- Requires full insurance coverage - which can be very expensive

# Cell phones

- Usually require a multi-year contract
- Many confusing plans
- Do not provide internet access



# Sample Newcomer Budget

Making it all fit



# INCOME:

- **\$7.50 per hour X 40 hours/week  
= \$1290 per month “gross”**
- **less taxes (25%)  
= \$967 per month “take home”**

# LESS EXPENSES:

Rent .....	\$ 550
Electric.....	\$ 35
Telephone.....	\$ 30
Cable TV.....	\$ 40
Laundry.....	\$ 20
Food.....	\$ 250
Bus Pass.....	<u>\$ 30</u>
total	\$ 955



# EQUALS:

\$1290 (gross pay) – 25% (taxes, deductions)

= \$967 (take home pay) - \$955 (expenses)

= ***just \$12 left for everything else!***





*Where, oh where  
has my money gone?!*



# It is important to keep track of the money you spend on little things.

<u>Activity</u>	<u>Monthly</u>
• Pop (1 can a day, 5 days a week)	\$20.00
• Cable TV	\$40.00
• Coffee (1 cup a day, 5 days a week)	\$20.00
• Cigarettes (1 pack a day)	\$150.00
• Movie (1 time a week)	\$30.00
• Fast Food (2 times a week, \$3.99 each time)	\$31.92
• Candy Bar (1 a day, 5 days a week)	\$13.80
• Newspaper (6 days a week)	\$28.00
• Rented Movies (2 per week)	\$12.00
• Caller ID	\$9.50



# What will this cost one person in one year?

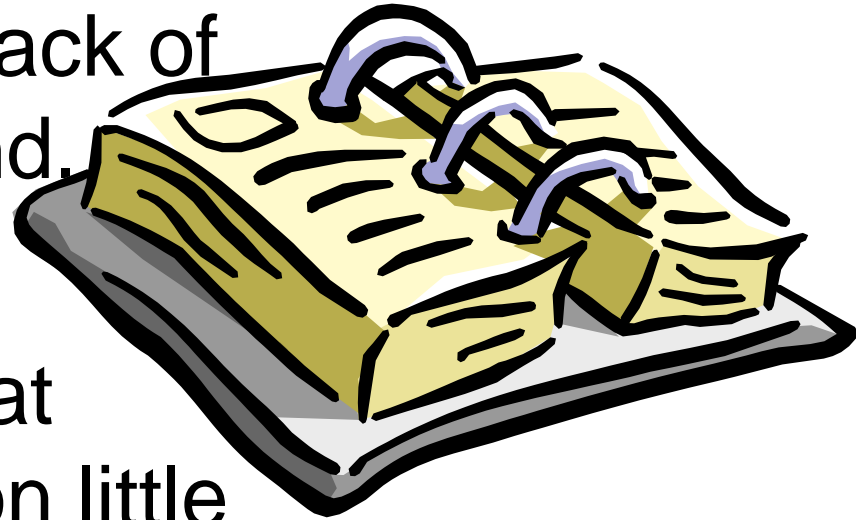
• Cans of pop		\$248
• Cable TV		\$480
• Coffee		\$240
• Cigarettes		\$1,800
• Movies		\$360
• Fast Food		\$383
• Candy bars		\$165
• Newspapers		\$144
• Rented Movies		\$336
• Caller ID		<u>\$114</u>
	<b><i>Grand total</i></b>	<b><i>\$4262</i></b>

**Don't let your money  
just "walk away."**



# Keep track of what you spend.

- For one month, keep track of all the money you spend.
- Write down everything.
- You may be surprised at how much you spend on little things.
- Would you maybe prefer to spend your money on something else?



# Remember,

## Make a plan – and stick to it!



*...and ask for help if you need it!*