

Accounting for Your Money Hope Chest

What is Ohio State University Extension?

Ohio State University Extension is an outreach arm of The Ohio State University. It is designed to share the results of research with Ohio citizens to help improve the quality of their lives and the environment in which they live. Ohio State University Extension is jointly funded by federal, state, and county governments and private grants. Programs emphasize “helping people help themselves.”

Extension education programs are offered in four areas: family and consumer sciences, 4-H youth development, community development, and agriculture and natural resources.

OSU Extension Family and Consumer Sciences Healthy Finances professionals are sensitive to the economic challenges families and their communities are facing during the COVID-19 pandemic.

Ohio State University Extension statewide campus educators designed this *Hope Chest* to “help people help themselves” amidst these uncertain times. A temporary or transition spending plan is needed to manage our financial stress.

The purpose of the Hope Chest is for individuals and families to -

- ✓ **Prioritize spending by separating needs from wants**
- ✓ **Identify realistic/SMART goals**
- ✓ **Gather current financial spending and saving information**
- ✓ **Evaluate COVID-19 pandemic emergency resources**
- ✓ **Develop a “new “Accounting for Your Money calendar**
- ✓ **Get through the next 6-months using Accounting for Your Money calendar**
- ✓ **Re-evaluate the transitional spending plan monthly and adjust as needed**

Extension Educators serve in all 88 Ohio counties. Access your county office website at extension.osu.edu/lao

Directions for use of “Accounting for Your Money” Hope Chest

Begin by reading Steps 1 through 7 to obtain an overall picture of the components of the Hope Chest. After reviewing the components, you are ready to begin completing the Steps. Complete Steps 1 and 2 within a week. For Step 3 you need to collect spending and saving records before you can add the information to the “Spending Tracker” and “Income and Benefits Tool”. In Steps 4 and 5 you will use the information gained from “Spending Tracker and “Income and Benefits Tool” to inform the development of your Accounting for Your Money budget tool. Steps 6 and 7 will occur over the next 6



months as you enter spending and saving information into the cash flow tools and adjust your budget as needed.

Completing all the steps will help you understand and control where your money goes. Working on the steps with co-spenders in your family is a good idea. As a family you can discuss your basic and other needs and wants and decide how to best spend your money during the pandemic. You and your family will be empowered to meet the new challenges brought about by the pandemic emergency, therefore relieving future financial stress.

You will use the interactive tools provided by the Consumer Finance Protection Bureau in the Your Money, Your Goals resources to track your current spending and income sources. All interactive tools are fillable PDF formats and are available through highlighted links embedded within the Hope Chest seven step process.

Let the process begin!

Step One

Prioritize spending by separating needs from wants

Everyone has wants and needs. A basic need is something you must have to live your daily life such as food, water, clothing, and shelter. Basic needs also include health, safety, and a means of support.

When we determine priorities, we are stating which one of our needs will be met first, second, and so on. Prioritizing can be done in several ways. Take care of what is important first. Urgent and important issues should be given your immediate attention. Another way to set your priorities is to compare the benefits and costs of one choice over another. Also, you can look at the most common types of problems you are facing. Problems can be categorized as financial, transportation, and relationship.

A. List you and your family's basic needs as you adjust to the pandemic emergency:

http://fcs.osu.edu/sites/fcs/files/imce/Healthy_Finances/cfpb_Spending-tracker_Tool.pdf

- 1) every day or so —
- 2) every week or two —
- 3) every month —
- 4) seasonally or by the end of the year —

Our list of wants comes from our personal and family values. We are challenged by the pandemic emergency to re-evaluate our list of wants. We are #all in this together. Be honest and thoughtful as

you list your wants. Since we are adapting to a new emergency let's focus on our wants until the end of the year.

B. List you and your family's wants as you adjust to the pandemic emergency:

- 1) Four weeks —
- 2) Four months –
- 3) End of 2020 —

Use the following tool to identify needs and wants during the pandemic emergency.

[CFPB - Prioritize spending by separating needs from wants tool](#)

Step Two

Identify Realistic SMART Goals

During a time of uncertainty, it is critical to concentrate your time, resources, and efforts on those activities that are most important to you and your family. When you identify relationships, commitments, and responsibilities in your life as valuable and worthy of maintaining and nurturing, you have made them a priority.

Not all individuals or families will select the same things as a priority nor will they place them in the same rank order. What might be vitally important to one family may not even make the list of priorities for another. What may be similar, however, is the seriousness with which families attend to their priorities.

Goal setting during and after an emergency can bring more control into your life. Goals have five components. Inserting the word **SMART** in front of the word **Goal** will remind you of those components.

Follow the guidelines in the chart below to write your family's SMART goals for the next six months.

S Specific	M Measurable	A Attainable	R Realistic	T Timely
Your goals should be as specific as possible and answer the question:	How will you measure your goals?	Goals should push you, but it is important that they are achievable.	Is your goal and timeframe realistic for the goal you have established?	Do you have a timeframe listed in your SMART goal?
What is your goal?	Measurement will give you specific feedback and hold you accountable.	Are your goals attainable?		This helps you be accountable and drives motivation.
How often or much?				
Where will it take place?				

Use the following SMART Goal Tool to identify financial goals during the pandemic emergency. [CFPB – Setting SMART Goals Tool](#) adapted for pandemic emergency

Step Three

Gather and record current financial spending and saving information

Now you need to find out how much you spend and where your money goes. The process will depend how organized your financial recordkeeping has been in the past. You might have maintained a written record of monthly spending or you might have paper receipts scattered about your home as well as electronic receipts in your email inbox. Wherever and however you have maintained spending and saving records in the past, they will now need to be organized into categories and recorded on a weekly and monthly basis.

Remember we are all in this together! Families, small businesses, large corporations and government are doing the same analysis.

Use the following Spending Tracker Tool to identify what is important to you during the pandemic emergency.

[CFPB – Spending Tracker Tool](#)

Use the following Income and Benefits Tool to identify what your income is during the pandemic emergency.

[CFPB - Income and Benefits Tool](#)

For assistance, please contact your county OSU Extension office with your questions as you work through this process.

Step Four

Evaluate COVID-19 pandemic emergency resources



kx.osu.edu/covid-19

Step Five

Develop a “new” Accounting for Your Money calendar

Use the following Accounting for Your Money calendar budget tool for 6-months to visualize your income and spending during the pandemic emergency. Enter the name of your starting month and the dates for that month in the fillable area on the form.

On each of your calendar pages:

- Enter the name of your starting month and the dates for that month. (Then enter in the name and dates for each of the following months in your calendar/spending plan)
- Enter the amount on the date income will be received (use **green ink**, so it's easily seen)
- Enter the amount on the date when fixed and variable expenses are due (use **red ink**)
- Enter in any occasional expenses (such as renewing your driver's license)
- As you pay bills, mark a line through the note on your calendar pages

[CFPB Budget Tool – Adapted for pandemic emergency – Accounting for Your Money](#)

Step Six

Getting through the next 6-months using Accounting for Your Money calendar

Using your calendar/spending plan is just as important as making it because it:

- allows you to control where your money goes
- helps your change your spending where needed
- can give you some peace of mind and reduce financial stress

One hopeful approach to financial crisis is to use a cash flow budget to get through the next 6-months.

[CFPB Cash Flow Tool – Adapted for pandemic emergency – Creating a cash flow budget](#)

Step Seven

Re-evaluate the transitional spending plan monthly and adjust as needed

Investigate strategies for improving cash flow during the pandemic emergency

[CFPB Improving Cash Flow Tool adapted for pandemic emergency](#)

Using strategies from the adjust your expenses on your Accounting for Your Money calendars in months two through six as needed as shown on the adjusting your cash flow tool.

[CFPB Adjusting your Cash Flow Tool adapted for pandemic emergency](#)

Final step is to celebrate your success!

Congratulations, you have created a financial stability Hope Chest by *Accounting for Your Money!*

SOURCES

Ohio State University Extension Family and Consumer Sciences (2020) COVID-19 - *A Financial Resource Guide*. at fcs.osu.edu/programs/healthy-finances-0/covid-19-financial-resource-guide

Ohio State University College of Food, Agricultural, and Environmental Sciences (2020) Knowledge HUB at kx.osu.edu/covid-19

Ohio State University Extension (2020) *Counting Your Money Calendar* at extensionpubs.osu.edu/content/sample/917.pdf

Consumer Financial Protection Bureau, (2020) *Your Money Your Goals*. at consumerfinance.gov/practitioner-resources/your-money-your-goals

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