Healthy Relationships and Financial Management: What's the Connection?

Tuesday, February 12, 2013, 2pm EST

Webinar Transcript Provided by PGi Global

Operator: Good day everyone and welcome to the *Healthy Relationships and Financial Management: What's the Connection?* call.

Today's conference is being recorded. At this time I would like to turn the conference over to Andrea Strahan. Please go ahead.

Andrea Strahan: Thanks so much and hello everyone. I'd like to welcome you to the National Resource Center for Healthy Marriage and Families Webinar entitled *Healthy Relationships and Financial Management: What's the Connection?*

My name is Andrea Strahan and I'm part of the Resource Center Team. I'd like to thank everyone for joining us today.

Before we get started with the presentations there are a few housekeeping items I'd like to go over.

The audio for today's Webinar will be broadcast through your computer speakers. Please make sure that the volume on your computer speakers is turned up so that you can hear the presentation.

New featured resources that will be discussed in today's Webinar are available for you to download from the pod in the top right corner of your screen designated with the word 'files.' Please click the name of the file you wish to view and then the 'download' button to open or save a copy of the resource to your computer.

The resources and video shown today will also be available on our Web site www.HealthyMarriageandFamilies.org. To visit our Website click the link in the middle pod on your right designated with the words 'web link.'

We will be taking questions at the end of the presentation, but we encourage you to submit any questions that you have throughout the duration of the Webinar. To do this, find the question and answer pod designated by the letters Q and A in the bottom right portion of your screen. Type your question into the open field at the bottom and then click the Send question button or press enter. You will receive an automatic reply thanking you for your question and your question will be forwarded to the moderator.

A recording of this presentation, the slides, a transcript and a question and answer document will be posted to the past events archive of our Website www.HealthyMarriageandFamily.org under the 'Training and Technical Assistance and Events' tab.

Our speakers today will be Robyn Cenizal, Project Director National Resource Center for Healthy Marriage and Families; Jeff Dew, Assistant Professor of Family Consumer and Human Development, Utah State University; Obie Clayton, Donald L Hollowell Distinguished Professor of Social Justice and Civil Rights Studies, University of Georgia; and Anita McKinney, Extension Educator Money Management, University of Florida Extension.

So with that I will go ahead and turn the call over to Robyn Cenizal, Project Director here at the National Resource Center for Healthy Marriage and Families. Robyn?

Robyn Cenizal: Thank you Andrea and welcome everyone. Thank you for joining us today. I think you'll find today's information useful for you and for the families that you serve.

So today's Webinar agenda includes the following:

- Why is financial management a healthy marriage and relationship skill?
- What strategies you can use to help clients increase self-sufficiency and strengthen relationships?
- How can you help clients build assets?
- How can you help clients increase financial literacy?
- What is the role of financial management in a healthy relationship and how can the Resource Center help?

So the National Resource Center for Healthy Marriage and Families is a national Web-based resource center. And the Resource Center promotes the integration of healthy relationship education skills and service delivery systems as an integrated approach to serving families.

We support stakeholders like child welfare, TANF, Head Start, Child Support, and other social service providers who support families trying to gain, maintain, or re-gain self-sufficiency.

We offer research that supports and promotes the integration of healthy marriage and relationship education skills, resources, tips and tools to use and share with the families that you serve, training and technical assistance to support stakeholders like you as you work to implement these integration strategies.

You're going to hear more about the Resource Center later in the presentation. But as we get ready to talk about our conversation with healthy relationships let's start with a poll question.

Which of the following attributes do you think is most important to a healthy relationship: communication, mutual respect, financial stability, shared values, or no vote?

We'll give you a minute to vote. We need Jeopardy music here.

Alright has everybody voted? Looks like we're still going.

Okay so almost 74% of you selected communication, a little over 19% mutual respect, financial stability didn't get any votes today, and shared values got a little over 7%.

Well that's interesting. So the answer is really that all of them are attributes. All of them are attributes of healthy relationships and I'm sure that we can add to that list.

Other attributes that we can think of from our own relationships that we think are healthy which one is most important is often driven by our individual perspective, our family of origin or our personal experiences within relationships.

Much like family stressors we all have stress—finances, parenting, work, et cetera. But how we cope with that stress differs based on our level of knowledge and our skills.

In the natural process we learn about healthy relationships, parenting, and financial management from our families of origin. Unfortunately if we didn't, our system doesn't actually have a place for us to learn those skills later.

So what is healthy marriage? Healthy marriage is basically mutually enriching, both spouses have a deep respect for each other and it's a relationship that is committed to ongoing growth, the use of effective communication skills, and the use of successful conflict management.

So with that said the Resource Center focuses on the following healthy relationship education skills. We focus on core skills like communication and conflict resolution.

These skills support healthy marriages as well as other interpersonal relationships within the family, the workplace, and within the community.

We also focus on critical skills associated with financial management and parenting as these are often high stress areas for families without adequate knowledge and skills related to these areas, families are faced greater risk of instability and this can be particularly true when it comes to finances.

So with that I'm going to turn it over to Jeffrey Dew who is going to explain to us the role of financial management in a healthy relationship. Jeffrey?

Jeff Dew: Thanks Robyn. So my presentation will start with a poll question. Of all common topics couples fight about which is the best predictor of divorce for men? Give it a few minutes to answer that.

Okay it looks like most of the votes are in. About 60% selected money and that's actually the correct answer.

In fact, if we move to this graph, this is research that I did, we had a national sample of couples and we followed them over time, over three to five year period.

And we measured their marital characteristics at time one and then by time two we knew who had divorced and who hadn't.

And what we—what I did was I wanted to see whether different types of conflict were associated with the likelihood of divorce—divorcing between time one and time two.

So I looked at money, chores, fighting about in-laws, fighting about sex and fighting about spending time together.

And what I found was that for men the only type of arguments that was associated with divorce were financial arguments, money arguments.

For women there were two types, financial arguments and sex, but financial arguments was still the larger predictor.

So for both men and women as you can see in this graph the more frequently they fight about money the more likely they are to divorce.

And when I initially started out my research I wanted to look at how different aspects of financial well-being and financial behavior were associated with relationship well-being for both, you know, married couples and cohabiting couples.

And there wasn't a whole lot out there actually, very few studies on this topic. And what I found was that things like consumer debt savings were related to relationship well-being.

Consumer debt was associated. The more consumer debt couples have the more often they fight. Even if we take out fighting about money people with more consumer debt tend to fight more often.

Savings on the other hand seems to provide individuals and couples with a sense of financial well-being which seems to stabilize the marriage. And in fact I found that the more financial assets that couples have the less likely they are to divorce. On the other hand the more consumer debt they have the more likely they are to divorce.

I'm working—have worked with a student here at Utah State. And she has looked at housing burden ratios.

And housing burden ratios are the cost of making housing payments divided by the amount of income people have. And not surprisingly the higher the housing burden ratio individuals have, the less happy they are in their marriage relationship.

And finally I've looked at actual financial behavior so consumer debt and savings, housing burden ratios are all kind of indicators of what people are doing with their money.

I looked at how frequently people are saving and how they're managing their credit and so on, how often they're using a budget. And those who use sound financial management behaviors tend to be happier in their relationships, both cohabiting couples and married couples.

Here's another slide. It just kind of shows the relationship between consumer debt and the relationship happiness of newlywed couples.

So we looked at—we followed newlyweds overtime to see what they, you know, what they would do with their consumer debt. Some brought debt to the marriage, some came to marriage debt free.

And those who stay debt-free all of them I should say, all of them declined in marital satisfaction over time. That's kind of the nature of marital satisfaction.

But those who stay debt-free declined the least. Those who started with no debt, started their marriage with no debt and then assumed $5000 had the highest increases.

So those who paid off their debt they declined somewhat but they didn't decline nearly as much as those who assumed more debt. So it was hard for them to pay off those debts but they fared better than those who were assuming debt.

There's other issues when it comes to money and relationships. I started out looking at things like consumer debt and savings, you know, the actual financial issues.

But what I found was that these conflicts over money seemed to be the, really the strongest predictor of relationship quality, both the satisfaction and the stability. And so how frequently couples fight about money is really kind of a big issue for couple relationships.

Now I haven't done any research on financial pooling, that is whether or not the couple shares their financial resources maybe, you know, puts it all in one bank account and things like that. But other researchers have.

And what they tend to find is that couples who pool their finances, those who share their financial resources tend to be happier. There are some exceptions, for example, remarried couples they don't find that.

The question is whether people who are happier than, you know, people who are happier and trust their spouse are then willing to pool their finances or whether it's the actual pooling the matters.

And in the recent study of low-income individuals they found that those who pool their finances tended to be happier. And it didn't work the other way around it wasn't that happier couples were just kind of pooling their finances. But these low income couples who did pool their finances were happy—happier.

And finally there's been some research that suggests that particularly when men are not able to contribute to the family that leads to high levels of instability among low income families.

So it's the qualitative work that's been done on contributing to the family suggests that particularly the men are expected to be contributing to the family even if they're not the primary breadwinner that the men do need to contribute otherwise often get high levels of family instability.

So the big question of course is why? Why do we see these associations coming out in the literature? The first answer—I would say the biggest answer—is feelings of economic pressure.

These feelings that you don't have enough money to make it to the end of the month right, that grinding feeling that you've got more bills than you have resources.

And so when individuals have consumer debt and when they have high housing burden ratios they get this feeling of economic pressure. And that feeling of economic pressure then spreads into the other areas of their lives including the relationships. So alleviating this emotion might help couples.

We also see that sometimes fights about money aren't really about the fight right? It's not really about the fact that maybe he goes out and gets a new gym membership right? The fight might actually be about the relationship itself.

Maybe there's some power issues. Maybe one of the partners or spouses feels that they're, you know, the one has more decision-making power when it comes to finances and they resent that.

Maybe there's some trust issues, or maybe there's some issues about autonomy and wanting to feel autonomous in how they spend their money.

So sometimes these money issues are really reflecting underlying problems with the relationship.

And then finally it may be that the couple has—that each individual in the couple has different meanings of money.

We all have different ideas about what's most important to use money, maybe from our family of origin, maybe as we're growing up.

You know, some people think that status is most important, whereas others think that maybe the peace of mind or fun is the most important way to use money.

And so sometimes when couples have these financial problems when they're arguing with each other they may just hold different underlying meanings of money. And that's what's causing the problem.

So what are some strategies for safety net service providers? I think one of the biggest things is to help clients alleviate economic pressure with some steps.

Now often clients who are seeking safety-net service provider help are in, you know, real financial trouble and they're having real financial distress. So we may not be able to alleviate it all, but we can at least help them.

So savings, even a little bit, can be helpful. I know that the literature shows that even just a little bit of savings can help reduce some of the economic pressure.

I remember when I was in graduate school and I was married and I had two kids I was making about $13,000 a year. This was, you know, we had economic pressure.

But my wife and I tried to put, even if it was just $5 or $10 a month away, just to say that we were saving. And that helped a lot, just to know, you know, even if we only had $120 we knew that at least we could meet an unexpected doctor's bill or make a minor car repair if we had to.

Debt is, particularly consumer debt is financially and relationally problematic. So if clients can be helped to make even small payments towards their principle and get that debt down faster that can help.

And finally it's one thing to say, 'oh save some and pay down your debt more quickly.' But if you don't have hard—if you don't have money—it's hard to do that and so one of the ways to get a little bit of extra money is to cut back on consumption.

You know, rather than getting the large soda at the gas station, get the medium soda. You know, there's a few dollars there. You know, and just cutting back consumption, even if it's in small ways can help.

Now research has shown that when people save and when people have—even if it's small amounts of assets—they, it empowers them.

They look at things on a longer term. They look at their finances and their lives on a longer term. So having these small amounts of finances can be empowering.

Sometimes clients are fighting with each other and sometimes it's just good to help them take a step back and say, 'okay rather than fighting about this transaction or, you know, that way she used the money, think about the money in beliefs and attitudes they hold,' because they kind of take a different perspective and maybe examine their finances from a different angle.

And finally we talk about communication as being important. And it is. It is very important relationship skill to have. But sometimes clients don't need relationship skills. Sometimes they need financial management skills.

Maybe they need to know how to draw up a budget or a spending plan. Maybe they need to know how to access financial institutions like banks or credit unions in order to meet their financial goals. So sometimes it's not about the relationship skills.

Finally, just some additional strategies, there's so many community organizations and services that are available to help couples and clients meet, help them with their finances.

For example, extension often has fact sheets and other help available for their finances, nonprofit groups. And I'm sure some of my fellow presenters will be talking about those.

Sometimes they might need help for their relationship issues. And if there are people who are willing to help, you know, at a very reduced price, that might be good.

Let's skip over help for financial issues real quick and go to culture diversity. You know, sometimes our—sometimes clients will be making financial decisions that we personally might not think are—is the wisest.

But, you know, maybe they're putting money that we think they don't have toward helping family members or extended family members or maybe toward their religious community.

And we've got to be sensitive to the idea that these things helping family or helping the religious community might be really important and really central to their identity and to just say, 'oh you need to stop doing that,' is not going to help clients.

And then finally a disproportionate number of families who seek social service help are going to be blended families, stepfamilies, cohabiting families with children from different families, and need to be aware of the obligations, the financial obligations that these families may face compared to the obligations that other families who aren't blended don't have and so just to be aware of those.

And so now time to turn the time over I think to Obie.

Obie Clayton: Yes thanks Jeff. I enjoyed listening to that. This is Obie Clayton at the University of Georgia speaking on how you can help your clients build assets.

But before we start that, we'll have a little poll question. So I'd like for you to take a few moments and answer what percentage of US households are currently unbanked?

Seemed like the majority of the people are saying 12.3%. We'll give you that, but I think the answer is 8.2%. There's a lot of people. That is a high percentage of the population that are out there running on the fringe economy.

So what I would like to say when you're working with these individuals—be cognizant of the current trends among low-income families.

Number one, they may not have any connection to banks and credit unions. The unbanked individuals rely on the fringe economy. And I'm sure each of us knows what that means.

And there are several reasons why people are unbanked and unaffiliated. And this is the most important thing when we're dealing with our client population. And again there are reasons and we need to be sensitive of those.

Some of those reasons that they don't go into banks—they may not want their identity known. We see that in a lot of instances.

They don't want to go through the credit check. And what I've seen quite often they don't want to reveal how much or how little they have. And quite often it's how little they have.

So we can break that cycle by exposing individuals or the unbanked clients to existing programs and services that are out there.

We can also educate the clients on the differences between assets and liabilities. For us that sounds easy, but for them the relationship between the asset and liability quite often becomes blurred.

A lot of people will say that their car is an asset. It could be, but that's an asset that's losing value, so you have to be careful of these purchases that you make. Jewelry, a lot of people when I talk to them say that's an asset. But it depends on the type of jewelry you get.

So we need to work with them and see where that's coming in. But the main thing is to tell them how to avoid those liabilities.

And the main thing about avoiding liability, as Jeff mentioned, is to cut down on consumption, cut down on the amount that you spend.

And when you have to do these things make conscious decisions. And I think Jeff went into great, great examples of that.

So just keep in mind that keep the liabilities as small as possible and try to grow your assets anyway that you can.

Now one of the ways when we're dealing with unbanked clients are that they are on the margins there is to mention to them the existence of these programs that are out there to help them build assets such as individual development accounts, IDAs.

And these are special savings accounts designed to help low and moderate income people save money without really having to go into their paycheck or go into a second job or any of those things.

But basically the IDA is based on the whole premise that if you learn how to do a budget, if you learn how to do a plan, a spending plan that anyone can save. It's not how much you save, the key is saving something.

Now these IDA accounts come with some strings attached to them. You can use it to buy a home, start a business, get higher education. These are three things that are very important.

Buying a home, starting your own company, or furthering education, that's what these funds were designed to do.

And they require, as I mentioned, that the participants attend classes on budgeting, that they learn the difference between assets and liabilities, the importance of saving, and how to make major purchases (including a home from an informed standpoint would be the key there).

Another one that we can say is the BankOn initiative that is growing in popularity around the country is a movement or a program that started in San Francisco six or seven years ago and it expanded to other cities and other states.

Florida, you'll hear about later from one of our speakers who will give you some concrete examples. But the BankOn initiative makes it easier for the unbanked to get into mainstream banking.

I mentioned that a lot of people when you go into your major banks you have to do a credit check, asking all these questions, you have to show proof of residence. Quite often some of the clients that I've had there may be three generations living in the house they don't want people to know that they're there, so they avoid the banks and they go to the check-cashing companies or whatever. So they BankOn initiative is out there to get this population into mainstream banking.

It provides the consumers with the education that's needed to manage an account, how to balance your checkbook, and other little things.

But it is a great way for unbanked individuals to get involved with the mainstream banking which saves a great deal of money than going to resources that are out there on the fringe economy.

Now another tool for asset building—and I mentioned earlier the IDA accounts—but the Earned Income Tax Credit.

And for many of you that's out here, you're working with people that are now going to H&R Block to get their taxes done.

And a lot of individuals, roughly 20% of people that are eligible to receive the Earned Income Tax Credit, they fail to file for. So it becomes incumbent upon us to make sure that we tell them that this is their credit, this is their money, if they qualify. And I cannot drive that point home enough.

I mentioned tax-preparation companies that are out there. I have seen many clients that will go to and pay substantial amounts to get their taxes done, money that could be better spent elsewhere or saved.

When there's free help that is available, for universities and colleges in the areas, even the IRS taxpayer assistance centers, will help individuals.

So a key here is taking advantage of the Earned Income Tax Credit but also taking advantage of free tax preparation advices out there just for the asking.

Now I mentioned when I first started the whole idea of spending wisely. I mentioned people view their car is an asset.

In some instances, they may, but most of them are not in that situation or most of us are not in that situation.

So when we talk about spending wisely one of the major burdens of household budget becomes transportation.

Learn how to take advantage of public transportation when and if possible to see if there employee matches, if they will help pay for the transportation pass, so forth and so on.

When shopping for a car, look around. A car quite often may not be the best mode of transportation.

It could be a small truck where you can use to make money hauling stuff, doing stuff for friends, so forth and so on.

So make sure that you look at your individual needs when you're looking at transportation and it is something that all of us have to budget for.

The other thing that I see taking a lot of money out of household budgets is the whole idea of entertainment and going out.

Going out could be going to a movie, going to a bar going to restaurants—any number of things that will just zap your money before you know it.

So if you're working with couples tell them they can have fun at home. Get a relative to babysit, cook a special dinner. There are just lots of things that you can do at home and make it special, go to a public park, go and just look at the skylines if you happen to live in a large city. But all fun does not entail spending money.

Shop for bargains, that sounds--that's easier said than done for a lot of the clients that you'll be working with because the big-box stores quite often are not located in their neighborhoods.

So what we should do is tell them to get together with a person that has a car or a truck and two or three families go out and shop.

Look at the stuff that's on sale, pile up the cupboard. I know at Kroger's where I shop they always have ten for ten and I never leave without ten of something. You know, that's just a fact of life.

One of the things that—and I know a lot of us are guilty of this—that takes a big chunk out of a budget—and you're all familiar with it because we all have to eat—but if you're eating out for lunch, then one meal per day can be anywhere between $30 and $50 a week.

That money could be cut by—I can't even think of the multiples—if we would just pack a lunch at home put fruit, sandwich, soups, and all of that. That doesn't take a lot of prep, but it takes a lot of commitment.

And then we say, "well these things have simplicity." But one of the keys of trying to change behavior is to keep reinforcing what you want to change.

If you hear it enough maybe it will bite in and so when we're working with clients we need to do that.

And I think you're looking at the slide—on the last bullet there, would be grooming at home. We're talking about doing hair, going to the barbershop. I've noticed that it is common on a lot of college campuses that there's a barber on the campus.

Well there are barbers in the community. So we can use the barter system to come in and get this done. You may not be the expert barber, but you may be great at detailing a car. Look at that.

You may know how to give the little girl a perm as opposed to paying $85 for that for the perm. Utilize your friends, utilize your skills, and keep the money in the household.

So if I had to leave you with a few points, if any, and that would be, as Jeff said, it's important to save regardless of how little or how much.

You will be amazed: if you can get people into the habit of putting away a little bit and they begin to see that money grow, it becomes part of their behavior.

I know I've worked this with my kids almost to the point of now I've turned out a bunch of scrooges. But it's just something that they like to look at and it is something that we all need to do.

A third point in working with this unbanked, and I will say working class couples, would be take advantage of those things that are out there for free, free tax preparations. They're available right now. And this is the time that it may be too late in a lot of instances because people have already done it.

But if you're in a situation, just try to see those resources that are available there in your neighborhood.

And I will also drive home the point, encourage clients to do things themselves and to employ the barter system when possible.

Cutting costs on basics may be difficult at first but it is possible—it is very possible—and the money will grow.

The key point that I would leave you with, before I turn it over to Anita, and that is just get them on the plan.

And it sounds tough if they're living from paycheck to paycheck, but it can be done, as Jeff mentioned earlier, simply by cutting back on consumption if you can't increase the income.

And with that being said I will turn it over to Anita and I'm sure she will give you some concrete examples of programs such as BankOn and IDAs.

Anita McKinney: Thank you Obie. My name is Anita McKinney and I am an Extension Educator from the University of Florida. I'm in the Jacksonville area which is in northern Florida.

So before we go into this section lets poll on how you define financial security or financial health? What are the three key factors?

It looks like the third one is winning here 60%, but we also have a close second with the second entry.

Okay so we've got most people who have answered the poll so let's go to the next slide and we'll be able to see the answer.

In the Gutter model of financial health or financial security, the three cornerstones are managing cash, credit risk, and saving.

Those are the three components and then other things impinge on that. So we need to have a good idea of needs and wants.

And so every time I have a class and we're talking about managing cash and credit we talk about and give examples of the difference between needs and wants.

It's a good discussion to have because we get into certain habits and sometimes we even get into the habit of taking care of wants before needs.

Resources, we need to know some skills. We need to know what kinds of programs are out there that can help us.

And then economic environment, the macro impinges on good financial health. When things go south, like they did through the last recession, there is not a lot that we can do about it at that point, except working defensively.

But we can, by managing our cash and credit at all times even in the boom times—saving in the boom times—we can reduce the impact that a down cycle will have on our financial health.

This part of the program is about a good community network system here in the Jacksonville area that's been developed over the last many years, probably about ten years now, because I came here in 2003.

And at that point the United Way was working on the Real$ense Prosperity campaign. And it started out as a coalition and has maintained that great coalition spirit through all these years.

And in addition to free tax preparation and the IDA program that is handled through our, a group called Family Foundations here which houses the Consumer Credit Counseling Service—which is a nonprofit credit counseling service in the area—those two programs are a part of our Take One Smart Move With Your Money, as well as financial education.

And over time financial education has really started to take the forefront. It takes a lot of time to get those the tax prep and the BankOns and all those programs so that there are programs available.

But we've also realized over time that we can help people to get larger refunds. But if we're not also helping them with new strategies for saving, taking care of insurance needs, and managing that cash and credit, then we may not be where we want to be in the end.

So here are the key financial topics that we work with and our main curriculum that we use is Money Smart--it's put together by the FDIC.

You can get it simply free by ordering it online: Money Smart, google 'Money Smart' or 'FDIC Money Smart' and order the disk. There's an adult and a young adult version.

We start out with making ends meet with the budgeting program, which is called Money Matters. We also have other programs through the extension service like calendar-based budgeting and effective strategies for managing money.

But we train volunteers on the Money Smart curriculum and that's the one that's readily available throughout the city.

So we start with developing a spending and savings plan. We usually hear that called a budget, but we like to call it a plan so that it doesn't sound so much like we're on a diet.

Important tracking tools are included in that. And here at the University of Florida we have a money management calendar that we produce every year. So we're busy handing that out and describing how to use a calendar and the spreadsheets involved to manage money. But there are other ways to manage cash, to use checkbooks, and other ways to manage and track.

And of course, just as Obie was talking about, some key strategies for reducing expenses we also need to talk about increasing income with maybe more hours, a second job, another person in the family taking on a job. So how do we balance that and actually get it written on paper?

Most of this class they usually start writing the spending savings plan and then follow-up with finishing it up later.

The next module is about setting goals, so everybody write some financial goals and then we go through saving options.

The third area is banks and credit unions and having a mainstream account. So we talk about comparing the cost. If you know how to choose the right bank or credit union for your particular needs, the right account and then making strategic choices about the funds availability policies, understand that, fee schedules, and having your own strategy for over drafting those accounts can actually be cheaper than alternatives, especially if we're talking about payday lending, but even talking about check-cashing and money orders and prepaid debit cards like a pay card where there are lots of fees associated with those.

Our particular series doesn't include a lot on insurance and risk management. We—actually not so much on insurance—but we do talk about risk management strategies.

The next area is building or rebuilding your credit. It's great to try to catch somebody before they get bogged down in credit cards or take on a car loan that they really can't handle.

But we also—and those proactive modules are a part of Money Smart—need to know how to get yourself out of it without causing additional issues and problems.

Earlier on I think it was Jeff who talked about the money personalities. So money attitudes, money personalities there are some online quizzes.

We have to use money habitudes here, which is a little card game, to help folks learn what their primary style of handling money is and how that might be different or similar to other members of the family and how that might lead to conflict or it might lead to harmony.

Also we occasionally use the program called 'Raising a Money Smart Child' that was developed here in Florida. And I'm sure in other issues of that, other revisions of that are, could be floating around the country.

But sometimes with folks that are having some issues themselves within the marriage or it's a single parent trying to manage their own and having some difficulty once they learn some strategies and realize that they can help their children avoid issues by being educators and being good models this does help also.

Here in the Jacksonville area we were lucky enough to come across all Ulrich Research Services in Orange Park.

And they're donating their services to us for an actual research project we've been doing for a couple of years. And it really is telling us that having financial education workshops helps people to change behaviors.

So we asked them to all families to take a survey at the beginning of a series or a workshop and then if they're going to be a part of that research project we encourage—we ask them to give us contact information for themselves in about six months and give us permission to call.

So the actual researchers call and ask the same questions again and we see if there's change.

So here you see that the blue represents where they—where folks were in general at/on the day of the class. And the orange bars represent six months later.

So the orange bars are all--we're moving in the right direction with everything. More people have checking accounts and savings accounts, more people are actually writing down a spending and saving plan and paying bills on time, more are checking their credit report and quite a few more are on the road to decreasing some debt.

Of course we wanted the payment of overdraft fees to go down. And we—you can see here that it does.

So sometimes as a financial educator you worry that oh, we're teaching all these classes are we really helping anybody?

And our research is showing that a good well thought out plan for financial education is helpful and can help change behaviors.

We've already talked about some of the resources that you can use and point your clients to and one is in the area of the free tax preparation.

We have the VITA sites and AARP sites that work together through the prosperity campaign here. And we each take each other's clients in order so that we're meeting each other's needs in lots of different places around the city, particularly making sure that EITC is available to folks.

And one thing that most people know—if they know something about EITC—is that it can be for those who have children. But there is also a lesser amount that can be gained for those who are—who don't have children, but have a very low income.

Of course we look at deductions for families. And we started out in October trying to remind people not to do refund anticipation loans.

We find that these services cost several hundred dollars just in loan application fees. And then if the application wasn't done exactly right or the refund wasn't done exactly right they can still be on the hook for inflated loan amounts, so we really work hard on that.

I mentioned individual development accounts before. And we also have—through the BankOn, the extension service, and Real$ense—we all advertise the Fresh Start program, as well as eight banks and credit unions that work with us.

We have about 50 folks who come to workshops each month. It's about managing money, choosing and using accounts, managing the accounts and a little bit on credit.

And that Fresh Start program is an outgrowth of Get Checking, which was nationwide and then was dropped several years ago, and we've continued it here in Florida and we call it Fresh Start.

So people can go back and open an account even if they were denied because of credit or previous check systems issues, they can go in and get their account.

Of course we encourage people to get their free credit reports from annualcreditreport.com. And one of the problems we sometimes find is that people are trying to get their reports through the ones that go on late-night TV. And really all they're trying to get you to do is pay for a monitoring service.

So we want to get the word out about that if they're not working on their credit, if they just want to make sure that they're not--they've not been a victim of ID theft.

We're lucky in Florida in that we have the Master Money Mentor program which is an individual financial coaching program.

So the extension service trains volunteers to work one on one. Most of our clients for that program come from people who have been to a workshop and then realize that they need one on one help with their spending and savings plan or with digging them—understanding their credit situation and working that—working with that.

We're also lucky here in that we have a car buying program 'Ways to Work.' So if there's anybody on the Webinar that's interested in doing a program to help people with transportation, this is offered through our Family Foundations program.

And the interest rate on the loans that people get are about 7%, so it's not—if you had a really good credit score right now you would just go on the open market—but otherwise you'd be in the by your pay situation. And that's anywhere from 20 to 30 to just maybe even more percent interest rate that you can buy here, pay here, and we don't care about your credit, but people—the consumers really have problems with that.

This also is helping them to build credit because they get a character loan at that 7% for a used car. They're taught how to buy a good used car, have it inspected, et cetera and then pay that each month and have a good car that they can drive back and forth to work.

We're in a situation in a large city—even though we have large city area-wise—even though we have public transportation, it may not suit and so the car will be important and of course in our rural areas around the car will be important.

Many of you are aware of the first-time homebuyer programs, so just be sure you're looking into those.

The extension also has nutrition and food buying education programs, expanded foods and nutrition education program. So look into that for your clients, encourage them to come to nutrition education programs because people talk about buying food and having good nutrition.

Look into your local utility company because they will often have energy conservation programs themselves help with energy which is always a huge burden for folks. But also they may have education programs.

Ours here JEA, Jacksonville Electric Authority has wonderful handouts. They train our trainers. We have volunteer trainers that do general financial education, but they also train us on how we can help people to reduce their energy consumption and thus reduce their costs.

So those were some examples of programs in one locality. We have quite a few of them but don't be discouraged if you don't have all of those things in your community.

Look around and be a part of the solution by developing coalitions that can bring some of the actual programs or educational opportunities to folks in your area.

And now I guess we turn it back to Robyn. Is that right?

Robyn Cenizal: Yes ma'am. Thank you very much. Thanks Anita. That was a lot of great information.

So here we are back to me again. So what is the role of financial management in a healthy relationship?

Well the bottom line is money matters to families. And so we heard a lot about financial education today. Financial education can do a lot for families to help them better manage their limited resources.

We heard Obie mention 8.2% of Americans are unbaked, which is roughly 10 million people out there. We heard—I did—talk about a variety of programs designed to help families with limited resources.

We also heard how financial education can reduce risk of predatory lending, things like the check-cashing, the rapid refunds, the payday loans and all of those other things which it's really interesting that they are often, those organizations often target those who have the least resources and the least opportunities to go elsewhere.

So connecting with these different organizations, like Anita mentioned, whether you're a part of a coalition or you just can reach out to an extension agent within your community that's offering some of these programs, connecting the families that you serve to financial education can be tremendously helpful.

We also heard Jeff talk about family stability and the increased risk of divorce where families are fighting about money and finances. So we can certainly see how financial education can help with that.

We also heard about setting goals and developing plans, as Anita says 'not budgets,' because it's kind of a bad word like diet, but developing plans to achieve those goals, learning how to save a little bit.

We heard all three of our speakers today talk about saving and how important it is to do just a little at a time whatever you can do.

So communication—going back to the Resource Center's position of promoting communication and conflict resolution as key relationship education skills—communication is really key to helping couples and families better manage their financial resources.

Couples need to talk about money habits, or habitudes as Anita mentioned, in one of the programs and their expectations.

Jeff talked about feelings about money and he also talked about blended families and their other obligations that they have.

Whenever a new couple is getting to know each other it's going to be very important that they think about what are the issues that each of them are bringing to the table around money, their habits. You know, is somebody into retail therapy? What are their expectations? Do they expect to live lavishly? Do they expect to save for retirement? How do they each feel about money and how is that going to affect their relationship?

So when thinking about the resource center and what the Resource Center can do to support you, the Resource Center can help you with, as I mentioned earlier, tips, tools, resources, and information that can help connect you to services that can benefit your families.

Lots of resources in our library, for example Obie's tip sheet that was mentioned earlier. You can access that through the library. And I think Andrea's going to tell you how you can actually download it off of our presentation today. But we have a number of other resources when you visit the Resource Center Web site.

I'm going to show you a quick video that gives you a little more detail. And then I'm going to come back and talk to you a little bit more about the Resource Center so with that?

(Video) Narrator: Strong families are the foundation of strong communities. Yet many families you serve struggle to achieve self-sufficiency and as service-providers you struggle to provide services to them within traditional safety-net service delivery systems.

The National Resource Center for Healthy Marriage and Families works with Federal, State, Tribal, and local government agencies to promote the value of healthy marriage and relationship education skills. We encourage their integration into safety-net service delivery systems as a holistic approach to strengthening the families you serve.

We offer a virtual resource center available 24 hours a day that is user-friendly and easy to navigate. The website also includes success stories and a calendar of upcoming events. Our searchable library has over 300 resources, including research on promising practices that supports the need for and benefits of healthy marriage education skills.

The library also includes stakeholder specific products developed by experts in the field, like tip sheets, fact sheets, and research-to-practice briefs. Visit our virtual training center to learn more about free training and technical assistance, including webinars and in-person and online training opportunities.

If you can't find what you are looking for, we have a call center that is staffed Monday through Friday so you can speak to a live person. Healthy marriage and relationship education include interpersonal skills like communication and conflict resolution, as well as critical skills like parenting and financial literacy. These skills serve as the cornerstone of strong families.

For more information on healthy marriage education skills visit www.HealthyMarriageandFamilies.org, info@HealthyMarriageandFamlies.org, 1-866-916-4672.

Robyn Cenizal: So just as you saw in the video, the Resource Center can help with all these different tools and tip sheets. All these different documents are available in our library as well as on our Web site.

So for example when you visit the Web site we have a section on asset building. And in that section you'll find information about things like IDAs, as you've heard us mention on the call today.

But there's also a link to mymoney.gov which links you to about 20 other resources associated with financial education and financial literacy that you can share with your—with the families that you serve.

We also heard Anita talk about her connection with all of these other organizations and how they're connected is a type of integration.

When we talk about levels of integration when we're promoting these skills we talk about things like just information sharing—whether you're sharing simple things like EITC information, a list of the tax VITA sites where families can go and get their taxes done for free—or partnerships would be level two where you're developing partners to refer families to so that they can access financial education—such as the Fresh Start or second chance banking opportunities, BankOn initiatives, or other resources that are available within your community—or three which would be a full integration where you're actually integrating curriculum related to financial education into your service delivery system—whether it's Money Smart, Money Smart for Teens, or some of the other curriculum that's out there and out there for free.

I hope that you'll take advantage of those resources. And we're going to go through a couple of poll questions and then we're going to open it up for questions and answers so that you can ask all of our fabulous presenters more detailed information.

All right so our first poll question is are you likely to talk with others at your organization about integration of relationship education into your current services or role at work, yes, possibly, not sure, or no?

All right, give you another second or two. Okay great, looks like overwhelmingly it's a yes. And our next poll question is are you likely to use the National Resource Center, Center for Resources or training and technical assistance in the future yes, possibly, not sure, or no?

Give you another minute. All right and with that I will turn it back over to Andrea. Thank you so much for joining us today, look forward to your questions.

Andrea Strahan: Thanks so much everyone for your presentations today. At this time we'd like to transition to our question and answer period. And please stay tuned for a final poll question afterwards as well. And we're going to give you the opportunity to download Obie's tip sheet too once we finish all of our question and answer period.

We've had a few good questions submitted and I'd like to pose them to our presenters. I'd ask everyone to please continue though, submitting questions using the question and answer function on your screen.

Our first question is going to be for Jeff. And Jeff the question is do you know of any studies that look at a correlation between unbanked or under banked couples and relationship health or marriage and divorce likelihood?

Jeff Dew: No. You know, that's one of the topics that really hasn't been looked at—whether people are banked. So know there—I don't—as far as I'm aware, there aren't any.

Andrea Strahan: Okay great. Thank you. Our next question is—and this one could be maybe for Anita or Obie. Anita if you want to weigh in first, what types of institutions or programs run IDAs? So where would I refer a client to access that type of program?

Anita McKinney: While in our situation the IDA program was within a religious organization first and then it moved to a consumer credit counseling service, Family Foundations. And at the same time that we had that one operating we had another one through a community action program.

So they're usually through organizations that are looking for programs specifically to encourage saving and benefit the—a limited income population so they can be run out of a variety of different organizations. Obie do you have some other suggestions?

Obie Clayton: Just that it's probably only—in the area where I am it's probably only out of larger churches that I see most of them.

Anita McKinney: It is a grant program, granted program. So if you're—if you don't have one in your community—look into the resources for asset building and think of doing a grant in your community.

Andrea Strahan: Okay great. Thanks so much.

Our next question and Robyn maybe you would know this one. Are there any efforts underway to remove some of the tax penalties associated with marriage or being a married couple?

Robyn Cenizal: Well, you know, there is...

Can you hear me? I'm Sorry.

Andrea Strahan: Yes we can hear you.

Robyn Cenizal: Okay I was on mute, I apologize. There are always offers out there to revisit the tax code but I'm not familiar with anything specific that I could answer today.

Andrea Strahan: Okay. And just to remind everyone we are going to be posting this presentation, the slides, the transcript, and the question and answer document in the 'Past Events Archive' of our Web site www.HealthyMarriageandFamilies.org under the 'Training and Technical Assistance Events' tab.

We're getting a couple questions in about that so I wanted to remind everybody that all of the information covered today will be available on the Web site.

Our next question is, Jeff perhaps you could answer this one? Are there any studies showing that financial education changes, relationship patterns or behaviors for the better? If so does it matter if only one partner has the education or do both partners need to receive it?

Jeff Dew: Yes that's a great question and a study that I would love to do. I'm only aware of one study that showed that financial education kind of had a spillover effect into relationships.

And what they did find was that, you know, those couples who had financial education did end up as, you know, they put that instruction into play. They did end up in a better place in their relationship.

I think that particular study looked at both of the partners getting financial education. I suspect that just because of the nature of money in relationships that it would be best if both couples got that education.

Because if they're not on the same page, even if one member of the couple has that knowledge and that, you know, that wherewithal now to do it, if the partner is not on board there's—there may be problems.

Andrea Strahan: Okay great. Thank you.

Obie Clayton: I can get you two names that's done a lot of work on the economic position and marital happiness and coined the phrase marriageability.

And I would first give William Julius Wilson and then Ron Mincy work on fragile families as how - and some of the work that he's doing up in Columbia right now takes that into consideration.

Andrea Strahan: Great thank you. And Obie actually our next question is directed towards you. In your presentation you said a car is not an asset if it's not paid off. Can you explain that more?

Obie Clayton: Yes just simple and asset is something that is going to gain value. If you go and you put - and you buy a car and your car is $25,000 and you put $2000 down payment on it and you drive it off the lot and you have a wreck you're upside down.

So once you pay it off you can in full your car is probably only worth a fraction of that. So it's not only an asset, an asset is something that's going to gain money over time. Unless you've got a collection of something that someone wants -- those things.

However what I would do when it comes to a car is to keep it, take the notes that you're paying on that car because very few people pay outright for it and pay down other debt so keep it as long as possible if that makes any sense.

Andrea Strahan: Yes thank you.

Anita McKinney: And I'd kind of throw my two cents in there. Assets in a very strict financial sense can be appreciating or depreciating. And the car is a depreciating asset.

However, when you look at what it provides, it provides a way to work and other benefits, then in the broader sense of asset it is, as long as it's providing those benefits it's an asset to the family.

Obie Clayton: Yes an intrinsic asset.

Anita McKinney: Yes.

Andrea Strahan: Great. Thank you. Anita and Obie maybe you two can take a can tackle our next question someone submitted. How can we increase working wages for our clients?

Obie Clayton: Can you say that again?

Andrea Strahan: How can we increase working wages for our clients?

Obie Clayton: That's what I thought you said. I wish I knew that. I would drop it in that speech that we'll hear tonight. I just have...

Anita McKinney: When we...

Obie Clayton: ...no answer for that one.

Anita McKinney: Many of us in the—who are in the financial education field, especially in extension—we don't get into that policy aspect of it.

But for instance, here in Florida, we have a Florida Prosperity Campaign which is statewide. And they are working on public policy and public legislation, so that's an attempt here to influence minimum wage and that kind of thing.

As we're talking about education, however, one of the things of that we always talk about when it comes down to getting a financial plan in place is that if you're trying to save more or reduce debt or just simply make ends meet it's often that you have to think about making some changes.

And we always hit expenses first. I think, 'well I could cut out this or do that and we hit flexible expenses first, those things that the little decisions every day make a big difference on whether we spend a little or a lot in that category.' So we look at ways like coupons or, you know, the dollar stores generally cheaper than that grocery store on some items.

So we look at that but we also look at that we may need to upgrade our skills on when it comes to income, that we may need to prove our worth and actively pursue an increase in wages by taking on more responsibility at our job.

So until policy catches up in the area of education we need to spend time talking about how individuals can increase their income.

Robyn Cenizal: Thanks Anita. And this is Robyn...

Obie Clayton: I would say...

Robyn Cenizal: I would say that...

Obie Clayton: One thing to that based on what Anita just said and it just dawned on me and that was increasing your skills or investing in yourself.

And that's done on a case by case basis. But there may be—there are other states, Georgia is one of them, where if you wanted to go to a technical college for a school, we have a Hope scholarship where it is free. So you just have to know those resources that are available in the local communities. This one is statewide. And they just put more money in that to try to increase the skills.

And Tennessee is another state where they funnel money into technical and vocational education.

Robyn Cenizal: Thanks Obie. This is Robyn. I would add one more thing. As Anita mentioned, as educators they don't necessarily get involved in the policy issues and neither does the Resource Center.

But as individual constituents each of you can get involved within your local government and your state government to make sure that the folks that are in office hear your concerns around working living wage. And that's one way that you can certainly help make change.

Andrea Strahan: Great. Thank you everyone. I would like to remind you again that we're going to have a recording of this presentation, the slides, a transcript, and a question and answer document with all the questions we received today posted under the 'Past Events Archive' of our Web site www.HealthyMarriageandFamilies.org under the 'Training and Technical Assistance' tab.

I'd also like to remind everybody that today's Webinar was featuring information found in a new fact sheet from the National Resource Center for Healthy Marriage and Families on *Helping Families Build Assets* by Obie Clayton.

And it is available through our Web site and is also available in the top right pod of your screen. You can see on the slide the green arrow is pointing towards where you can download the resource.

So please take a moment to download that, if it's of interest to you. And it has all the information featured today and more in there. And please visit our Web site for more resources as well.

So with that I have one final poll question for you, please let us know, "Were you satisfied with today's Webinar: extremely satisfied, somewhat satisfied, neutral, somewhat dissatisfied, or extremely dissatisfied?

We really appreciate you taking the time to attend this Webinar and we would love to get your feedback so that we can continue to make our Webinars better and more useful in the future.

So we'll give a few more seconds. If you haven't had a chance to answer please go ahead. All right I'd like to thank everyone for joining us today. Have a great afternoon.

Operator: Again that does conclude today's presentation. We thank you for your participation.

END