



Jul, Aug,
Sep
2020

Family Self-Sufficiency Newsletter

550 Percent Interest Paid

The price of payday loans

In the last newsletter, we talked about payday loans and that these should be avoided. These lenders charge an excessive amount of interest on the amount that is borrowed with the borrower often ending up in a worse financial position than they were before. The borrower solves their immediate problem of needing quick money, without realizing the future consequences of obtaining this type of loan.

Last year, a FSS participant who desperately needed money and feeling that there was nowhere else to turn, walked into a payday loan agency and borrowed \$500. For nine months, this participant paid \$85.00

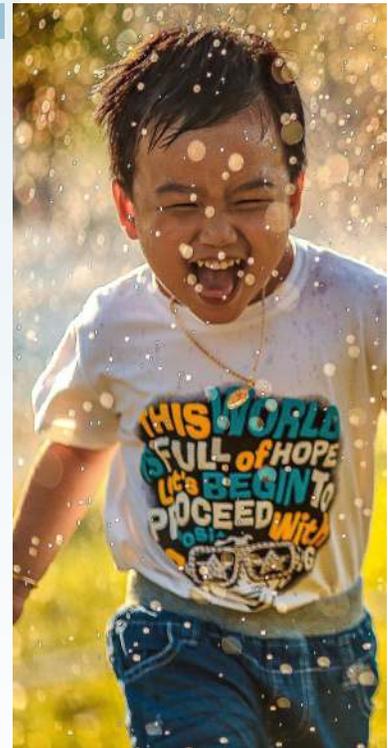
every two weeks (\$190 per month), totaling \$1,700. But wait! It did not stop there. The participant was finally able to pay off the loan but not before paying an additional \$1,000, for a grand total of \$2,710. This is 550 percent interest on the initial loan of \$500. This person learned a valuable lesson and stated:

“I had a very sad experience in doing this loan and I ended up paying five times more. My advice is not to do these types of loans because the results are fatal.”

This happened to a FSS participant and it could happen to you. If you currently have a payday loan and are needing guidance and financial assistance, please contact your FSS coordinator.

Jaé (208)287-1060
Sonja (208)287-1079
Trudy (208)287-1059
Frances (208)287-1045

jetchart@bcacha.org
swilliams@bcacha.org
tnebeker@bcacha.org
fvillegas@bcacha.org



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FSS Escrow Update



There are currently 201 families participating in the Family Self-Sufficiency program. Many of these families currently have money going into their escrow accounts. The lowest escrow amount going into a participant's account is \$1.00 per month. The largest monthly amount is \$764 per month. Great Job!!

The lowest escrow account balance is \$8.05. The largest escrow balance is \$13,569.83. There are 14 families that have over \$5,000 in their escrow accounts and 5 families that have over \$10,000. Congratulations!



Natacha moved from part-time employment and debt concerns, to escrow earner and home owner. Here are some tools that helped her attain her goals.

FSS Graduate

Natacha joined FSS in April of 2018. She worked part-time as a caregiver and wanted full-time work. She also wanted to pay off debt and improve her credit score so she could buy a home. She quickly gained full-time employment and started earning escrow. Natacha worked hard to pay down her debt and build up her credit. Now she has closed on a home of her own and has graduated early from the FSS program.

Free Financial Classes

Many of you have the goal of attending a money management/ credit repair/budgeting workshop. Due to COVID-19, our financial workshop was cancelled. However, you can still meet this financial goal by taking these free financial classes. Workshops are available on-line at: www.debtredutionservices.org/webinars.

These four classes are recommended: 1) Roadmap to Financial Stability –Budgeting, 2) Spending by Color, 3) Credit and Interest, and 4) Project DEBT-o-Nation

Choose any fifth webinar from the following:

- Financially Empowered Seniors
- Financially Empowered Empty Nesters
- Young and Financially Empowered
- Everyday Money Series - Chose from many topics, including: I Owe U, Credit or Debt or Cash?, Surviving Unemployment, Money Spouse Child, The Budget Frenemy, Building Credit, Dealing With Debt

Once you complete these classes, you will earn a certificate. Provide a copy of your certificate to your FSS Coordinator so that we can mark this as a completed goal. Also, contact your coordinator if you need any assistance in taking these free on-line classes.

Adapting to Change by Trudy Nebeker

As we enter the hottest days of summer, many of us are hearing that age-old complaint from our kids, “Mom, Dad, I’m bored. There is nothing to do!” In years past, finding solutions to this complaint may have seemed easy when we reflect on life before COVID-19. You could take them to the city pools and let them swim until they used up all that youthful energy, or maybe to the library for story time. This year, however, has been a real challenge for families with children. With the coronavirus disrupting our lives in early spring, keeping kids engaged as the months drag on and the days grow hotter may seem to be a particularly difficult task. Some of the usual go-to options may not be available or desirable to some families due to social distancing recommendations. This can make keeping our children engaged and busy during trying times a very hard task.

Here are a few activities that can help keep boredom at bay this summer:

- Take the family for a hike, and don’t forget snacks!
- Gather the kids and have a backyard movie night
- Put up a tent and camp out in the back yard
- Establish a family game night or day
- Do a word puzzle together.

More important than the type of activity you choose is participating with your child. Setting an example of how to remain calm, engaged and flexible during uncertainty teaches resiliency.

Resiliency means to recover quickly when faced with a difficult situation or unexpected changes. It is a skill that can be taught to children through modeling by adults. It helps them learn to overcome adversity and adapt to changes. (See the WSJ article excerpt on Page 4.)

Now that most families are getting settled into a summer routine, it is time to begin yet another change by making your families plan for back-to-school.

Both Boise and West Ada School Districts have published plans for the upcoming year with two options to choose from, in-person or online. This demonstrates a desire to be flexible and allows families to choose their own education path this coming year.

MAMMALS
All these animals are mammals, which means they are warm-blooded and nurse their young.

S	M	H	E	P	K	S	L	R	A	O	E
Q	N	O	I	G	L	E	H	A	L	A	L
U	K	R	N	L	A	A	B	E	A	R	E
I	E	S	R	K	R	L	W	N	E	B	P
R	T	E	A	N	E	E	H	V	G	P	H
R	O	R	B	F	I	Y	A	O	H	L	A
E	T	U	B	A	D	O	L	P	H	I	N
L	E	O	I	S	O	W	E	S	T	O	T
O	N	I	T	H	G	O	B	L	H	N	Y

The names of all these animals are hidden in this word search. They can go horizontally, vertically, or diagonally. Can you find all of them?

DOG	LION
WHALE	SEAL
RABBIT	SHEEP
BEAR	SQUIRREL
HORSE	DOLPHIN
ELEPHANT	MONKEY

Local School Updates

Boise School District

As of June 18, 2020, Boise School District has posted plans to reopen school with two options for families. They can attend in-person or register for online learning. Registration for online learning is open from July 13 to 31. Be sure to check with your school district for updates as they occur.

https://www.boiseschools.org/news/what_s_newboise_online_schools_program_now_enrolling

West Ada School District

West Ada School District also plans to offer two options for learning. For families who are not comfortable returning to school, West Ada will have online choices through its Virtual School House.

<https://www.westada.org/Page/79640>

Computers for Kids

Whether you choose homeschooling or campus schooling for this fall, your children will need a computer. CfK offers discount computers for K-12 and college students. Contact your FSS Coordinator to see how you can qualify!



Pandemic Unemployment Assistance

As part of the CARES Act, Pandemic Unemployment Assistance may be an option for those who are unemployed due to COVID-19 and who are not eligible for unemployment insurance. These might include those who are:

- Self employed
- Low-wage workers
- Workers with pending or denied claims

Visit: [Labor.Idaho.gov](https://labor.idaho.gov) for more information. You can also access additional information and resources for COVID-19, as well as job seeker tools, opportunities for job training, and career exploration.

Families First Coronavirus Response Act: If you have been unable to work for specific reasons related to COVID-19, you may qualify for some amount of paid leave through your employer. Visit dol.gov/agencies/whd for more information.

Workforce Innovation and Opportunity Act: This act (WIOA) is a program that offers targeted employment support and opportunity to individuals with challenges to obtaining sustainable employment. WIOA is available to dislocated workers and low-income adults. WIOA also works with low-income youth who are not in school. Contact your FSS Coordinator to make a plan.

Federal pandemic Unemployment Compensation will expire at the end of July: If you are receiving the additional \$600 unemployment benefit and you will not be returning to your previous job, now is the time to start that job search! Contact your FSS Coordinator to help you make a plan. We offer telephone conferences and also communicate via postal mail and email.

Coronavirus and Student Loan Forbearance: Effective March 1, 2020, all payments and interest were suspended as part of the CARES Act. Student loan interest on all qualifying loans under the Department of Education were reduced to 0% and all payments, including auto payments, were automatically suspended. Borrowers do not need to take any additional steps. These suspensions will remain in effect until September 30, 2020. You can find out if your loans qualify for this forbearance by either [visiting studentaid.gov/login](https://studentaid.gov/login) or by calling 1-800-433-3243. Visit studentaid.gov for more information on the COVID related forbearance and how it will impact your student loans.

From The Wall Street Journal—6/20/2020

As Children Face Disappointments, Parents Can Help Them Develop Resilience

Children who feel cared for and safe during challenging times find it easier to bounce back, says Dr. Luthar, who conducts research on resiliency. “Resilience rests fundamentally on relationships,” she says. Parents need to lead by example and stay calm as a new normal takes hold during the pandemic, adds Ann Masten, professor of child development at the University of Minnesota. For instance, demonstrating to children how much you’re enjoying your new home office setup or having more time to cook family meals can set a more positive tone during a challenging time. “Parents need to keep in mind that they are a model

[The Wall Street Journal 6/20/2020](https://www.wsj.com/articles/parents-can-help-their-children-develop-resilience-11613844000)

A Quote to Remember

When written in Chinese, the word “crisis” is composed of two characters. One represents danger and the other represents opportunity.

John F. Kennedy

How to build your financial stability in uncertain times

You can't control the world around you, but you can control how you manage your finances. During uncertain times, it becomes increasingly important to set a foundation that will still allow you to reach your long term goals, such as buying a home, by increasing your financial stability.

Financial stresses will occur throughout all of our lifetimes, but during COVID-19, it can be particularly daunting to maintain financial fitness. While we are spending a lot more time at home, it's a good opportunity to work towards building financial stability in the face of these uncertain times.

We're not financial advisors but here are some practical things to do now if you're looking to buy a home when we come out on the other side.

Review your budget

A spring cleaning of your finances is a great starting point for building your financial stability. By reviewing your income in comparison to all of your outgoings, you will be able to see if there are any areas where you can make savings. The goal is to lower your cost of living if at all possible, eliminating unnecessary expenses or switching to cheaper alternatives.

For example, comparison websites like Uswitch allow you to check whether you could save money by switching to a different energy, phone or broadband provider. You can also take stock of all of your monthly subscriptions and direct debits, like Netflix and Spotify, in case you're able to eliminate or downgrade any of them. Lean in to free services, such as BBC iPlayer and YouTube fitness classes.

All of this will leave you in a good position to work out a new budget. The budgeting tool from Citizens Advice is useful for doing this and should take about half an hour to complete.

Continue saving

Your day-to-day expenses have likely decreased at the moment if you're doing less travelling, eating out and buying coffees. Take the money you would have been spending prior to lock down and add it to your savings. This is an unusual opportunity to cut back on your day-to-day expenses and pocket whatever is left over.

Some other ways to save? Buy your essentials in bulk, and make an effort to cook big meals that can be eaten as leftovers. And remember – avoid unnecessary online shopping, and as tempting as it is, don't start planning a big blow out holiday for the moment lockdown finishes! The holiday you didn't take this year could make all the difference to your home-buying prospects next year.

Check your credit score

If you are looking to apply for a mortgage in the future, now is a good time to check your credit score and report using a credit reporting agency like Experian, Equifax or TransUnion (ideally all three, since the agencies lenders vary). Once you understand your credit score, you will be able to take steps to improve it.

Things you can do right now to improve your credit score, and therefore your financial stability, include registering to vote, checking your credit report for errors that should be removed and checking if you're financially linked to another person. By taking steps now to raise your credit score, you could improve your chance of maximizing your borrowing power for a mortgage in future.

Time in lockdown is not time wasted, and if you still plan on getting on the housing ladder in the future, it's a great time to map out the steps to take to reach your goal.

By: Hailey Donogan