



## ***SOUTH CAROLINA FAMILY AND COMMUNITY LEADERS***

Affiliated with National Volunteer Outreach Network, Country Women's Council, U.S.A., Associated Country Women of the World and in partnership with Clemson University Cooperative Extension Service  
SCFCL website: <http://www.scfcl.com>

### **Leader Training Guide**

#### **Financial Stress**

##### **Objectives:**

The participants will be able to develop a plan to reduce financial stress by making a budget

**Lesson Overview/Introduction:** The Covid-19 epidemic has caused financial stress for many households. Some agencies have downsized and caused many to lose their jobs. Now is the time to leave behind that stress and start taking control of your money and health. Here are some ways to help you get your life in order.

##### **Lesson:**

- 1. Take Inventory:** It can be scary opening that junk drawer of old bills, but it is time. Just because the problem is not in plain sight does not mean that it is not there. Facing those bills head on is the most helpful thing you can do to start relieving your stress.
- 2. Make a Budget and Stick to IT!** Being accountable for your bills helps you feel in charge. Now that you know what you are dealing with, it is time to come up with the zero-budget plan of attack.

First, write down your monthly income and expenses then subtract your income from your expenses until you reach a zero balance. If your expenses are higher than your income, you need to reduce your expenses. You do not want to spend more than you make. This method gives every single dollar a name. Making a budget each month will help you determine how your money is being spent and where you need to cut back. You might be surprised at the results. Do you eat out often or spend too much money on clothes?

- 3. Pay Off All of Your Debt:** If you live from paycheck to paycheck, it can be stressful worrying about how you are going to pay your bills. Imagine what it would be like, if you do not have to worry about using your paycheck to pay-off loans, credit cards, medical bills, etc. If you can spare an extra \$25 or more, challenge yourself to pay off your smallest debt sooner. It will give you more money to use for the next debt.
- 4. Follow the Baby Steps:** Baby Steps covers saving for emergencies, retirement, paying off debts (home, loans, etc.), investing and building wealth so you can give generously. Each step will help relieve stress and worry as you aim toward financial contentment.

If you are in the middle of an emergency (loss of a job, major home repairs, or a medical crisis), try to make the minimum payment on your debt. Focus on your “Four Walls”: **food, utilities, shelter and transportation**. This will help you stay afloat until things get back to normal. If you have debt collectors harassing you, your top priority should be taking care of you and your family because debt collectors can wait.

- 5. Practice Gratitude:** If you want to get rid of financial stress, you must do things different from what you are doing now. Start with addressing your “wants” because keeping up with the Jones’s does not lead to contentment, it will get you further in debt.

Learn what triggers your “wants” and start limiting your exposure to that thing. Shopping for groceries without a list makes you buy things you really do not need. Taking children grocery shopping with you can cause you to buy things that they want and not what you need. Try to shop with a purpose and not according influences.

### **Suggested Materials:**

### **Suggested Activities:**

Have your group to share penny pinching ideas. Here are a few to get started:

- Do not shop when you are hungry or in a hurry
- To reduce electricity, turn the thermostat up or down.
- Let clothes air-dry instead of using the dryer
- Drink tap water instead of buying bottled water

**Lesson Summary:**

In summary, remember to put your priorities on the “Four Walls” – food, transportation, shelter and transportation. To reduce your debt, make a budget to track how you are spending your money.

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