



Funding the Future:

Managing Your Money and Building Your Assets

A brief guide for individuals with psychiatric disabilities

developed by

**The Temple University Collaborative on Community Inclusion
Of Individuals with Psychiatric Disabilities**

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Introduction

Having money, and spending it wisely, is an important factor in community participation. Many people struggle with these issues, including those who experience a psychiatric disability. While talking about money often makes people uncomfortable, managing money is one of the important tasks of an independent life. This brief guide is designed to provide an overview of two key aspects of your financial future:

- . financial literacy – the knowledge and skill people need to budget their money, develop and manage credit, operate a savings and/or a checking account, and shop wisely; and
- . asset building strategies – doing everything you can to make sure you have enough money to begin with, including working, saving, and developing your own business

Both ‘financial literacy’ and ‘asset building strategies’ are key to a secure future, and more and more Americans are investing time and energy in thinking about their finances. This may be a good time for you to start as well.

Barriers to Financial Literacy and Skills. Many of those with psychiatric disabilities have had very little money to work with: many individuals rely on welfare or disability payments, which are not generous, and those who hold a regular job may still have difficulty making ends meet. These issues make learning about how to manage your money and build your assets just that much more important. Some people with psychiatric disabilities may also have had very little control over their own funds: parents may not have trusted them to manage money responsibly and mental health providers may have chosen to manage consumers’ money for them.



These challenging decisions may have merit, but also deprive consumers of the opportunity to learn the money skills they need to function independently.

This document has been developed by the Temple University Collaborative on Community Inclusion of People with Psychiatric Disabilities, funded by the National Institute on Disability and Rehabilitation Research (NIDRR), and is part of an ongoing initiative to promote greater community participation of individuals with psychiatric disabilities. Managing your money and building your assets are not only important steps on the road to empowerment, recovery, and independent living; they are a way to make sure that you have the financial resources you need to participate in the life of the community around you. You may want to use this brief introduction to begin thinking about money on your own, or you may find it useful to review these materials with a family member, friend, or staff person at an agency to help you get starting in taking charge of your finances.

Financial Literacy

Whether you are living on a limited income or are doing okay financially, managing your money well is important. 'Financial literacy' is the term used to make sure you understand how to get the most out of the money you do have and a good 'financial literacy' course will include such topics as:

- . budgeting – to make sure you don't run out of money;
- . shopping wisely – to help you get the most for your money;
- . managing credit – to protect you against sky-high credit charges;
- . banking – to help you get a checking and savings account; as well as
- . loans - checking your credit rating, identity theft, and trying to save.



Financial literacy courses, many of which are free, are available in several different settings. *First*, you may want to go onto the internet and search for an online financial literacy course that you can take in your own time and at your own pace. *Second*, you may want to look around in your community for financial literacy courses that are offered by local banks, community centers, community colleges, or nearby vocational-technical programs operated by your local school system. *Third*, you may find that a local community mental health center, or a psychiatric rehabilitation program, or a consumer-operated program is offering financial literacy classes. The Temple University Collaborative has gathered a few examples of strong financial literacy programs you may want to contact for more information:

Example 1: The Money Smart: An Online Curriculum. The Federal Deposit Insurance Corporation (FDIC) has a comprehensive and helpful online financial literacy course available to the general public, access the course at: <http://www.fdic.gov/consumers/consumer/moneysmart/mscbi/mscbi.html> and taking the eight module course in your own time and at your own pace. Each segment runs 60 -90 minutes, and you will wind up knowing just about everything you need to know about managing your money well.

Example 2: Building Your Financial Future. The Michigan Disability Rights Coalition (MDRC) works with a cadre of peer support specialists – people in recovery from mental illness themselves working with others with mental illnesses who are just beginning their own recovery journey – to provide financial literacy classes in community settings. The MDRC’s Building Your Financial Future program, in partnership with the Michigan State University Extension Office, uses the FDIC’s Money Smart Curriculum (see above) trains peer specialists to provide support via emails, phone calls, and one-to-one visits. For more information, contact Aimee Sterk, MSW, Program Manager, Michigan Disability Rights Coalition, 3498 East Lake Lansing Road, Ste100, East Lansing, MI 48823 / 616.797.9769 or aimee@prosynergy.org.



Example 3: Assessing the Financial Planning Needs of Americans with Mental Illness. The UIC National Research and Training Center completed a national study of the financial planning needs of people with psychiatric disabilities, and their report on their findings contains references to other online and in-print financial literacy programs. To access this report, go to their website at: <http://www.psych.uic.edu/uicnrtc> and look for the report on the home page.

Asset Building Strategies

There are several ways in which individuals can ‘build assets’ – that is, make sure they are not only managing the money they have but also finding new ways to make more money. For people with limited resources – if you are dependent upon a disability check or welfare payment, if you work at a low wage entry-level job, or if you have too many debts from the past that sap your income – you may want to look at one or more of the following strategies:

- . working at a good job with competitive wages and decent benefits;
- . putting aside funds for savings, using available savings programs; or
- . developing a business of your own you can depend upon for income.

Working. National statistics remind us that nearly 85% of individuals with serious psychiatric disabilities are not working, and many of those who do work are only employed part-time and a low-wage / low-benefit entry-level jobs. There are a number of programs that can help you return to work, assist you in making the transition to full-time employment, and provide you with the supports you need to get the education and/or training required for a better job with better pay and benefits.



Example 4: Supported Employment Programs. Many mental health centers and psychiatric rehabilitation programs offer Supported Employment – a program that puts people to work in competitive jobs, provides them with the initial training and support they need on-the-job, and then offers long-term assistance to help them keep the job and move forward with their careers. For more information on Supported Employment programs, you can access the “Supported Employment Handbook: A Customer-Driven Approach for Persons with Significant Disabilities Manual, from the Virginia Commonwealth University’s Research and Training Center on Supported Employment, at <http://www.worksupport.com>

Example 5: Supported Education Programs. Supported Education programs can help you find, fund, and graduate from a wide array of job training and academic preparation programs – whether your goals are to finally get your high school diploma, or graduate from a community college or trade school with the knowledge and certificates you need for skilled work, or to get a four year college diploma that prepares you for better paying jobs. For more information on Supported Education programs, you can purchase the Handbook on Supported Education: Providing Services for Students with Psychiatric Disabilities, by Karen Unger (Paul H. Brookes Publishing Co., Inc, Baltimore, MD), 1998. Can be purchased here: <http://search.barnesandnoble.com/Handbook-on-Supported-Education/Karen-V-Unger/e/9781557663528>

Example 6: Balancing Work and Benefits. One of the major financial issues surrounding the decision to return to work is being able to understand the impact of earned income on benefits, and particularly both the financial support and medical support within the Social Security SSI and SSDI programs. A useful online tool to plan your finances as they relate to disability benefits (WorkWorld) can be accessed from The Employment Support Institute, at Virginia Commonwealth University, at <http://www.workworld.org>



Saving. Regardless of who you are, it is important to be saving for the future. Financial literacy programs can help you budget your funds to insure that you put aside some dollars regularly into savings, but in addition there are a number of savings programs sponsored by federal and state agencies that promote savings, called *Individual Savings Accounts (IDAs)*. IDAs create saving opportunities for low income individuals and families: they are interest bearing savings accounts that use matching deposits from community-based nonprofits, which receive matching saving funds from federal and state agencies. IDAs are primarily created to help low-income individual save for the purchase of your first home, your participation in higher education, or your start-up of a small business of your own. Currently, IDA provisions are included in several key federal bills and programs, like the Workforce Investment Act (WIA), the Temporary Assistance for Needy Families (TANF) programs, Assets for Independence Act (AFIA), the Savings for Working Families Act, and the American Saving for Personal Investment, Retirement, and Education Act (ASPIRE) . Since 1993, 29 states and the District of Columbia have passed laws to support IDAs, 32 states have included them in their welfare reform plans, and seven states have created state-supported IDA initiatives by administrative action.

Example 7: Women’s Opportunity Resource Center (WORC). WORC is a good example of a local program that assists economically disadvantaged women and families – including individuals with psychiatric disabilities – to take advantage of state-sponsored IDA savings programs. Although WORK – based in Philadelphia (PA) – provides an array of educational programs, small business development initiatives, loan programs, and training opportunities – it works with community agencies and community mental health centers to promote the IDA initiative. For more information on WORC, you can contact: <http://www.worc-pa.com/savings.html>.



Example 8: World Institute on Disability. This project, developed by the World Institute on Disabilities, opens doors for the disability community by promoting asset building and financial literacy. Their website includes links which provide greater detail about the importance of Individual Development Accounts and related fact sheets, as well as housing programs and home loan services. For more information about the Access to Assets program, contact: Thomas Foley, WID Deputy Director / Access to Assets Program Director, email him at tom@wid.org or phone him at 1-866-723.1201.

Small Business Development. A number of programs are designed to help individuals with disabilities develop their own business – offering advice about business development strategies, loans and micro-loans to start a new business, and business management training. Although most new and small businesses that are individually operated provide only a modest income for their owners at first, these funds can be a valuable addition either to a full-time job in the competitive labor market or a welfare or disability check. A small business is a lot of work, but people who have been successful at starting their own venture love the excitement, accomplishment, and satisfaction that comes with being your own boss. In addition to the programs available at WORK and WID (see above), you may want to explore the following:

Example 9: Ida Mae Campbell Wellness & Resource Center – The Leadership & Micro-Enterprise Academy. The Leadership and Micro-Enterprise Academy not only trains individuals with disabilities for leadership and advocacy positions, it offers assistance in starting a new business: developing a business plan, applying for seed grants to finance new start-ups, and teaching the skills of a successful entrepreneur are all part of the Micro-Enterprise curriculum. You can reach them by contacting: Iden Campbell McCollum, 1338 North Capitol Street, NW, Ste101, Washington D.C. 20002, or you can email at idenmccollum@gmail.com



Example 10: Community Enterprises Corporation Economic Development Financial Services. The CEC is a statewide (New Jersey) not-for-profit property management agency. CEC provides an array of services including property management , and housing and economic development. These services are provided through contracts with community-based organizations, social services agencies, government agencies, private institutions and property owners who serve low-income persons with special needs. This organization provides individuals with psychiatric disabilities access to products and services which support re-entry to the mainstream financial community, plus incentives for savings toward the purchase of a specific asset, such as a home or a business, or to further education for a degree of certificate leading to gainful employment and an improved quality of life. For more information, contact: Peter Sahl , 11 Spring Street, Freehold, NJ 07728 or email him at psahl@cspnj.org or phone him at 1.732.780.1175, ext. 27.