

United Way of Massachusetts Bay and Merrimack Valley
General Financial Education Core Competencies *

Financial Planning (Goal Setting, Budgeting, Saving)

- Understand that attitudes and values affect how you view and use money; explore strategies for family conversations; recognize the tradeoffs and opportunity costs to personal choices.
- Learn how to set realistic and measurable financial goals; consider all sources of income (for example, self-employment).
- Learn how to plan for future asset development.
- Understand how to calculate monthly income and expenses.
- Learn how to develop a spending plan that includes saving for goals and emergencies.
- Learn how to manage regular monthly payments and savings.
- Explore strategies for bringing income and expenses into balance (include employee benefits, public benefit/work supports); understand the reduction of certain benefits when earnings increase.

Financial Services (Basic Banking)

- Assess the benefits of using a financial institution.
- Learn about the different types of financial institutions and services offered.
- Learn ways to evaluate and compare institutions and services to choose those that best fit your needs.
- Learn how to write checks and manage checking and savings accounts (include direct deposit/online banking).
- Review procedures used to address and resolve problems related to your accounts.

Credit

- Learn about the advantages and disadvantages of using credit.
- Learn about different types of credit and how to get credit.
- Learn how to establish good credit history.
- Recognize the cost of credit.
- Learn how to compare credit terms, and evaluate your credit situation.
- Review wise ways to use credit.
- Learn about credit reports and credit protection.
- Learn to identify and resist predatory lending.

Recordkeeping and Taxes

- Understand how planning your finances and keeping good records can reduce your taxes.
- Identify what records to keep and create (documenting verbal as well as paper transactions), and where to keep them.
- Understand the context of the economic and tax systems, and your responsibility and benefits. Where do taxes come from and where do they go?

The topics of Contracts, Insurance, and Long-term Financial Planning (Investing and Retirement) may be added, if time allows.



* Adapted from Greater St. Louis Asset-Building Collaborative's General Financial Education Core Competencies, October 2006. In concert with... Lawrence Literacy Works' Basic Competencies, August 8, 2006; MIDAS' Sampling of Financial Literacy Across Massachusetts Components; United Way of Massachusetts Bay's Financial Education Survey Report, 2006.