



WHEN THE PAYCHECK STOPS

A Survival Guide to Unemployment



United
Way



United Way of the
Greater Dayton Area

Taking Charge of Personal Finances Matters

Financial Action Plan

- 1 Dial 2-1-1
- 2 Prepare a Complete Household Budget
- 3 List Assets
- 4 Set Priorities
- 5 Make a List of Creditors
- 6 Notify Your Creditors
- 7 Pay What You Can
- 8 Stay in Touch with Creditors
- 9 Stop Credit Purchases
- 10 Reduce Household Expenses
- 11 Sell What You Don't Need
- 12 Check into Other Financial Resources

STEP 1: Call United Way's HelpLink™ 211

United Way's HelpLink™ 211 is a confidential information and referral hotline that is available 24 hours a day, 7 days a week. By dialing 2-1-1 or 225-3000 you will be connected with essential human services that can help with everyday needs and in times of crisis.

STEP 2: Prepare a Complete Household Budget

Taking control of your personal finances is important when you are facing unemployment. Completing a household budget worksheet is a great way to access how/where you spend your money and where you can save.

Your budgeted expenses should include:

- **Fixed expenses** (mortgage, rent, taxes, insurance, loans, installment payments, credit card payments, child support and other fixed monthly payments)
- **Variable monthly expenses** (food, gas, repairs, dues, prescriptions, recreation, utilities and child care)

- **Future expenses** (income/property tax and other outstanding debts)

Your budgeted income should include:

- Income
- Savings
- Severance pay
- Union strike assistance
- Unemployment compensation
- Accrued vacation pay
- Refund from pension funds

STEP 3: List Assets

Other assets may include:

- Cash value of insurance policies
- Prepaid burial or funeral policies
- Equity in your home (the difference between the value of your home and the amount you owe on your home)
- Resale value of vehicles, boat, RV, etc.

STEP 4: Set Priorities for Your Expenses

List payments in order of importance. This will help you pay first things first when money is short.

Your most important bills are your mortgage or rent payment, followed by utilities, health insurance and car payments. Child support or alimony payments (if any) are also a high priority.

STEP 5: Make a Complete List of Creditors

List the following information for each creditor:

- Name, address and phone number of the contact person
- Account number
- Total amount owed
- Payment schedule and amount
- Interest rates

STEP 6: Notify Your Creditors Before You Get Behind

Determine how much you can pay regularly on each bill. If you need to negotiate a lower monthly payment than your creditors expect, notify them before you get behind.

Creditors are usually easier to work with when you let them know about your situation before a severe problem arises.

Contact creditors in writing:

- Tell them you need to work out a plan for delaying, reducing or refinancing payments until you return to work
- Always include your account number, phone number and address in all correspondence
- Keep copies of your letters and follow up by phone

STEP 7: Pay What You Can

Even if you can't pay the amount creditors want, pay something regularly. This keeps your overdue balance as low as possible and lets

IMPORTANT:

DON'T IGNORE YOUR MAIL!

Sometimes trouble comes because people ignore government agency inquiries or creditor requests for information. That only makes things worse. If you do not understand notices or bills sent to you, call the person who sent the bill.



creditors know you are making a good faith effort. Partial payment may keep your account from being turned over to a collection agency.

STEP 8: Stay in Touch With Creditors

After your first letter, keep in regular contact with your creditors. This reassures them, shows a responsible attitude and may keep them from harassing you.

STEP 9: Stop Credit Purchases

Stop using all credit cards. Interest on most credit purchases is extremely high. If you have advance warning that you'll be out of work, try to make larger payments to reduce the balance you owe.

STEP 10: Reduce Household Expenses

With your family, plan reductions in household expenses to stay within your budget.

To cut your **food** costs:

- Plan less expensive meals – use leftovers and prepare snacks from scratch
- Adjust your buying habits – only shop when you need to, make a list and compare prices and brands
- Use coupons

To cut your **telephone** bills:

- Switch to a money-saving rate plan
- Eliminate unnecessary calls (measured service charges for calls by length and time of day)
- Make fewer long-distance calls (take advantage of lower evening and weekend rates)
- Cancel electronic phone features like “call waiting”
- Discontinue cell phones, e-mail services and pagers

To cut your **energy and fuel** costs:

- Turn off lights, TV and appliances when not in use
- Cut back on the use of “power hogs” like hair dryers
- Lower the thermostat on your hot water heater and furnace, or turn up your air conditioner and dress accordingly
- Wash and dry only full loads of clothes and dishes
- Eliminate unnecessary car trips
- Consult your local Consumer Credit Counseling Service

STEP 11: Sell What You Don't Need

Consider selling that extra vehicle or the boat and trailer you rarely use. Look at your possessions to see which items could be sold or traded without really changing the way you live. Talk to your landlord about doing minor repairs, cutting the lawn or doing other yard maintenance in place of rent.

STEP 12: Check into Other Financial Resources

- Life Insurance – Review your policy or talk to your insurance agent to see whether you can borrow against your policy
- Pension Funds – Talk to your union representative or employer to see whether you are owed a refund on your pension fund contribution or from other company funds
- You may be able to borrow against your 401(k) or Tax Deferred Account (TDA)

FINANCIAL WORKSHEET

Amount of monthly unemployment compensation _____
Amount of monthly rent or mortgage payments _____
Amount of monthly utility bills _____
Amount of food expenses _____
On all installment loans the following must be provided:
Monthly payment _____
Due date of loan payment _____
Loan balance _____ if 0, by what?
Is it secured? _____
On home mortgages, the following is necessary:
Monthly payment _____
Does it include taxes and insurance; if not, what is the amount of both?
Balance owed on home and estimated value _____
List all other debts with amount you owe and the required monthly payments, such as:
Doctor _____
Dental _____
Charge accounts _____
Schooning or baby-sitter _____
Miscellaneous debt or expense _____

| Monthly income during Unemployment | | Family recreation | | Other monthly payments | |
|---|--|--|--|--------------------------------|--------------------------------------|
| Salary & Wages (take-home pay) first person \$ _____ | Subscriptions \$ _____ | Misc. labor: baby-sitter, housecleaning, etc. \$ _____ | Income tax \$ _____ | TOTAL \$ _____ | |
| Salary & Wages (take-home pay) second person \$ _____ | Donations \$ _____ | Education/lessons \$ _____ | Insurance \$ _____ | Property tax \$ _____ | |
| Other monthly income \$ _____ | Religious contributions \$ _____ | Charity contributions \$ _____ | Home, auto \$ _____ | TOTAL \$ _____ | |
| Monthly Living Expenses | | Fixed Monthly Payments | | Future Expenses | |
| Supermarket purchases \$ _____ | Utilities: electricity, gas, water, telephone \$ _____ | Auto loans \$ _____ | Total income during for average month \$ _____ | Total living expenses \$ _____ | Total income minus expenses \$ _____ |
| Automobile fuel, repairs \$ _____ | Laundry & cleaning \$ _____ | Apparatus, TV, furniture \$ _____ | Total income during for average month \$ _____ | Total living expenses \$ _____ | Total income minus expenses \$ _____ |
| Clothing \$ _____ | Medical, dental and prescriptions \$ _____ | Personal loans \$ _____ | Total income during for average month \$ _____ | Total living expenses \$ _____ | Total income minus expenses \$ _____ |
| Incidental expenses \$ _____ | Adult allowances \$ _____ | Bank cards \$ _____ | Total income during for average month \$ _____ | Total living expenses \$ _____ | Total income minus expenses \$ _____ |
| Children's allowances \$ _____ | Children's allowances \$ _____ | Other credit cards \$ _____ | Total income during for average month \$ _____ | Total living expenses \$ _____ | Total income minus expenses \$ _____ |

Finding a New Job Matters

Job Search Action Plan

- 1 Take Stock of Yourself
- 2 Find Out Who's Hiring
- 3 Prepare for the Interview

You found the job you had. You can find another job.

Sometimes changing jobs can be a good thing. Take this opportunity to explore jobs that have always interested you and may pay better than your old job.

STEP 1: Take Stock of Yourself

- List the job skills you've developed on the job
- List skills you may have developed off the job
- Write out your employment history, listing all your previous jobs. It will help to remind you of the skills you can offer and in filling out job applications
- Identify the working conditions you prefer
- Determine the pay and benefits you need (though changing jobs may require a cut in pay initially):
 - The lowest pay and benefits level you will accept
 - The chances for future wage increases and/or promotions as you stay on the job
 - The costs to you of accepting the job (daycare, transportation, uniform, tools, etc.)

STEP 2: Find Out Who's Hiring

- Check newspaper ads, your local job service office and employment agencies for job openings
- Tell everyone you know that you are looking for work and ask them to watch for job openings
- Follow up on all job leads

STEP 3: Prepare for the Interview

- Find out as much as you can about the employer and the job opening before you apply or are interviewed
- Check your appearance:
 - Be well groomed
 - Dress appropriately
- Take to the interview:
 - A summary sheet of your work experience, skills and education
 - Your Social Security card and driver's license
 - Citizenship documents
 - Reference list
- Consider how you might answer typical interview questions:
 - Why are you interested in working for us?
 - What is your experience?
 - What makes you think you can fill the requirements of this job?
- When filling out a job application:
 - Look over the entire form carefully, then follow all directions exactly
 - Complete the application in black or blue ink

- Neatly print answers to all questions. If a question does not apply, write in "N/A" (not applicable) or a dash
- Make certain that all the information you provide on the application is correct. Take your employment history to help you remember names, addresses, phone numbers, dates
- After completing the application, double-check to see that everything is correct
- During your interview:
 - Sit up, look alert and show that you are interested in the job
 - When answering questions, be honest, to the point and confident
- Send a thank you letter to the interviewer after the interview

Remember: It's up to you to convince the interviewer you have the skills to do the job and you want the work.



The World Did Not End

We take pride in our skills. Our work provides for our families. Our jobs are a vital part of how we feel about ourselves.

That's why losing your job is traumatic – whether it means temporarily losing the entire family income or a part of it.

Unemployment is difficult and will change the way you live, but it's not the end of the world.

By knowing where to turn and taking control of your situation, you can survive unemployment and reduce the impact of temporary joblessness on your family.

Talk to Your Family

Unemployment is tough on the whole family. Your spouse and children feel helpless. Talk out your problems and plan together. Explain your unemployment situation to them and include them in developing your plans to deal with it.

It helps to give each member of the family some positive steps they can take to help. By sharing the burden and pulling together, members of a family grow closer together or draw strength from one another. A professional family counselor may be helpful.

Turn to Your Union for Help

Your union can help you when times are hard.

Your union representative can let you know what union, company or public benefits you may be eligible for, and advise you on how to keep your health insurance after you are laid off. Call your AFL-CIO Community Services Liaison at 225-3113 for information on available AFL-CIO community services.

Get the Help You Need...You've Earned It

While you were working, you helped to pay for public programs through your taxes, and for voluntary agency services through contributions to your local United Way or other community organizations.

So make your money work for you when you need it. We all need a little help at some time in our lives. Even companies get subsidies and tax breaks from the government during hard times. Don't be embarrassed to ask for the help you need. You paid for it. You earned it.



Losing a job is a scary and life-altering experience. United Way's HelpLink™ 2-1-1 Information and Referral can help ease your worries and get you and your family through this tough time by connecting you with essential human services. Whether you are in need or know someone in need, HelpLink™ 2-1-1 is ready to answer the call 24 hours a day, 7 days a week. By dialing 2-1-1 or (937) 225-3000 you can get help with everyday needs and in times of crisis, including:



Displaced Workers:

- Job training
- Confidential financial counseling
- Financial Assistance
- Education Programs
- Employment programs and services
- Transportation assistance



Family Support:

- Family resource centers
- After school programs
- Counseling
- Tutoring
- Food programs
- Medical assistance programs and services

HelpLink™ 
2-1-1
Get Connected. Get Answers.
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