

Refugee Financial Literacy II



Houston, Texas



Houston is a major city in the state of Texas. Home to 2,325,502 residents with 145 languages spoken and 90 nations have consular representation in the city.

Interfaith Ministries in Houston Texas helps refugees with enrolling in school, english lessons, cultural knowledge, and much more. This pamphlet is designed to help refugees with financial literacy including topics such as budgeting, taxes, scholarships and local resources.

Budget

Monthly Budget		Frugal Fanatic		
Items	Budget Amount	Actual Amount	Difference	Notes
INCOME				
Income Total				
Other Income				
EXPENSES				
Mortgage/Rent				
Household Maintenance				
Taxes				
Insurance				
Electricity				
Water				
Sewage				
Gas				
Phone				
Trash				
Cable				
Cell Phone				
Groceries				
Entertainment				
Charity/Donations				
Fuel				
Auto Insurance				
Car Payment				
Child Care				
Credit Cards/Debt				
Loans				
Child Support				
Clothing				
SAVINGS				
Retirement				
College				
Basic/Other				
TOTALS				
Total Income - Total Expenses \$ _____				

Budgeting is the process of creating a plan to spend money and is an important aspect of finance

The model budget recommends that you use 50% of your income on your needs, 30% for wants, and 20% for savings

The primary part of your budget should always cover your needs

To budget for your specific needs and avoid overspending, keep track of how much you spend on groceries over three-month period to calculate an average to use in a monthly budget

Creating goals and prizes also contribute to budgeting successfully

Insures that you have enough money for the things you need in the future

The above picture represents what a sample budget planner may look like.

Savings

Savings is income that you put to the side for the future, this can be for a rainy day, if you lose your job, get in a car accident, or even something like saving up for a vacation. The key is that saving money can help you become financially secure.

College Savings

- Cheaper than loans from banks or the government
- Starting a college saving early allows you to save small amounts over a longer period of time with a goal in mind.
- There is a helpful saving plan called the 529 tax-advantage savings plan.
- The 529 savings plan allows for the money in the plan to be used tax free for education purposes.
- The 529 savings plan also has the option to schedule monthly payments as low as \$15 or \$25.

Emergency Saving

- The size of your emergency saving will depend on your lifestyle, monthly costs, income, etc.
- Rule of thumb is to put away at least 3-6 months worth of expenses.
- There are 4 common places to put emergency savings
 1. High-yield bank accounts
 2. Money market accounts
 3. Certificates of deposit
 4. Roth IRA or individual retirement account

Bank Accounts

Having a bank account can be a great tool for managing your personal finances. Account statements can help you determine how and where you are spending your money and put you on track for a reasonable savings plan. Additionally, personal savings accounts often pay interest, which basically earns you free money. There are two different types of bank accounts.

- Savings account -A savings account is a deposit account held at a retail bank that pays interest but cannot be used directly

- Checking account - A checking account is a deposit account held at a financial institution that allows withdrawals and deposits

Starting a Bank Account

1. Find a Bank that matches what you need at the current moment, this could be starting a savings account because you want to save up money or a checking account that you can use on a daily basis.
2. There are three basic forms of banks
 - Community banks/ big banks like these are the common banks that you see that provide basic services including checking accounts, savings accounts and loans.
 - Credit unions are essentially the same as banks except that they are customer owned. These credit unions could offer competitive rates but it is always good to check fee schedules carefully
 - Online banks and credit unions which function the same way but are solely based on online.
3. There are two ways to open a bank account
 - The easiest way to open a bank account would be doing it online, this can be done by going to the banks website. Make sure you are accessing the correct institutions websites as there can be fakes online trying to obtain your personal information
 - The second way to open a bank account would be to go in person to the bank or credit union of your choice. If you are going to open a bank in person make sure you have the following things:
 - Identification (government-issued ID like a driver's license, passport, or military ID)
 - Your Social Security Number or similar
 - Your physical and mailing address
 - An initial deposit (if required at the time of opening)

Helpful Information

Banks charge you a fee for frequent withdrawals from your savings account. Make sure you ask how many withdrawals you can use.

Overdraft fees may be charged if you charge your checking account with insufficient funds.

Credit

The trust between two parties allows an exchange of resources without payment upfront but a promise to reimburse in the future.

Types of Credit

Revolving Credit: a line of credit offered by lenders to a certain limit as long as the account is in good standing. This simply means that the account is active and payments are made on time

Charge Cards: often confused with credit cards, how they differ is charge cards require the full balance to be paid each statement

Service Credit: the recorded amount of time(years) a person has invested towards a plan of retirement.

(Ex. Pension)Installment Credit -
a loan given for a set amount of
monetary return

Credit Score Helps You Get

Credit Score

A numerical value based on the analysis of an individual's credit files, in order to represent their creditworthiness. It is important for lenders to assess these scores in pursuit of determining potential risks and potential qualified borrowers



Income



Taxes

A tax is a fee charged by the government on a product, your income, or an activity for the purpose of raising money for the government's expenses.

Taxes are used for education, health programs, social security and other goods/services that can help people.

Types

Corporate Taxes: Taxes that are based on how much money a company earns

Income Taxes: Taxes paid to the federal government that are based on how much money a person earns

Sales Taxes: Taxes that are based on how much a person buys

Property Taxes: Taxes that are based on how much a person owns (like your houses)

Uses

Social Security: The social security tax is used to support people who have retired, disabled, and been widowed, which is 12.4% of your income.

Medicare: Everyone pays that same 2.9%, regardless of how much they earn, but there are a few variations of this tax depending on your sources of income and other factors.

Defense and security: Like homeland security, and security-related international activities

Free Resources - Southwest Houston Area

Hening Alief Regional Library

7979 South Kirkwood

Houston, Texas 77072

832-393-1820

Jungman Neighborhood Library

5830 Westheimer Rd.

Houston, Texas 77057

832-393-1860

Insurance

Options

To find out if you are eligible for RMA you have to complete the RMA application

1. Short-term health insurance called Refugee Medical Assistance (RMA), which is available for up to eight months.
2. Some refugees may be eligible for Medicaid or the Children's Health Insurance Program (CHIP) which is available for several years.
3. Refugee Medical Assistance funds enable refugees to complete a Refugee Medical Screening (RMS) upon arrival in the U.S., protecting public health and providing early health interventions.
4. RMA provides limited dental coverage.
5. All individuals enrolled in the RMA program receive personalized RMA Identification cards.
6. RMA covers most prescription drugs that are medically necessary

Contact Information for Refugee Medical Assistance

1. RRD Region 4: Houston - YMCA of Greater Houston 713.758.9251
2. Region 4 Website: [South Texas Office for Refugees/YMCA of Greater Houston](#)
3. Region 4 State Refugee Coordinator: [Kimberly Haynes](#) 713.758.9272
4. Medical RD - Statewide [Jessica Montour](#) U.S. Committee for Refugees and Immigrants (USCRI) 512.256.3310
5. Medical RD Website: <http://refugees.org/>

FOLD	
Point Comfort Underwriters A United American, LLC Affiliated Company	
MEMBER ID:	
MEMBER NAME:	EFFECTIVE DATE:
IDENTIFICATION NUMBER	TERMINATION DATE
Co-Payment: \$0.00	RxBIN: RXPCN: RxGRP:
Payor ID:	MagellanRx MANAGEMENT
POSESSION OF THIS CARD DOES NOT GUARANTEE BENEFITS	
Verification of benefits or eligibility Email: service@pointcomfort.com Phone: 1-844-210-2010	Provider Network Verification HEALTHCARE: Web: rma.pointcomfort.com Email: providers@pointcomfort.com Phone: 1-844-210-2010
Pre-Certification Web: pcf.pointcomfort.com Phone: (Emergencies Only) 1-844-210-2010 Pre-certification requirements are located at pcf.pointcomfort.com	DENTAL: DENTEMAX NETWORK 1-800-752-1547 Web: rma.pointcomfort.com
Claims Submission Electronic 837 EDI - PCU02 Point Comfort Underwriters P.O. Box 211745 Eagan, MN 55121	
FOLD	

FAFSA

FAFSA is a Free Application For Student Federal Aid, used to apply for financial aid for colleges and universities from the federal, state, and most colleges and universities

It can vary from grants, scholarships, student employment and student loans

Students start filing for FAFSA on October 1st every year prior to the “academic year of enrollment”

Types

1. There are two types that need to be filed separately
2. FAFSA for the current academic year and FAFSA for the upcoming academic year.

How To File

1. Create an FSA ID on the fsaid.ed.gov website.
2. It is important to create a separate account for each parent and the student to move further with the application.
3. Families can complete the FAFSA in 30-60 minutes depending on the documents they need to gather to finish the application.
4. The IRS Data Retrieval Tool can be used to transfer information from your federal income tax returns into the FAFSA. This reduces the likelihood of answering a quarter of questions and increases the chances of getting selected for verification quickly.

After You File

1. Some will be selected for verification as the U.S Department of Education uses a risk model to select FAFSA's that have inaccurate information included.
2. Students will be asked to submit copies of backup documentation for certain data elements on the application to confirm certain household demographic data.
3. If the IRS Data Retrieval Tool hasn't been used, the student will be asked to provide copies of W-2s and 1099s or an IRS Tax Return Transcript or an IRS Verification of Non-filing Letter for verification of the application.

4. A Student Aid Report (SAR) will be sent within a few days or weeks depending on whether you filed the application online, signed the FAFSA with an FSA ID and provided your email address on the FAFSA. There is an opportunity to correct errors and “SAR also includes the expected family contribution (EFC), a measure of the family’s financial strength”.
5. If by any chance a student faces issues in the change of income or unusual financial circumstances, they can appeal for more financial aid by contacting the financial aid’s office for more information.
6. Lastly, all the funds are distributed through the college financial aid office. There can also be a 30-day delay for disbursement of student loan funds for first time/first year student loan borrowers.
7. The aid is applied towards tuition and fees and college housing if the student is living in one.
8. Credit balances are refunded within the 14 days that can be used to cover other college costs.

If a student/parent needs any help they can contact the Federal Student Aid Information Center on the following:

1-800-433-3243. (1-800-5-FED-AID).

Email: FederalStudentAidCustomerService@ed.gov

Hearing Impaired: 1-800-730-8913

General Guide

- To apply for financial aid for 2020-2021, students can file the FAFSA starting on October 1, 2019
- 2020-21 FAFSA can be submitted no later than June 30, 2021
- It should be filed “no later than June 30” of the academic year or the last day of enrollment.
- It’s best to file as early as possible as, most early within the first 3 months to get double benefits of the aid.
- Most states award it based on “first come first served basis or until they run out of their money.
- Some colleges have early deadlines, also known to be priority deadlines.



Scholarships

Finding scholarships

1. Before applying for a scholarship be sure you meet the requirements
 - a. Search for scholarships based off your background
 - i. Ethnicity
 - ii. Sex
 - iii. Major
 - iv. GPA
2. Review the requirements and deadlines for the scholarships you've selected
 - a. Length of essay
 - b. Deadline to submit required information
 - c. Gather preliminary information
 - i. Transcripts



Examples

1. Commonwealth Masters and PhD scholarship
2. Albert Einstein German Academic Refugee Initiative (DAFI) Scholarship
3. Monash Asylum Seekers Scholarship

Helpful Websites

1. <https://www.humanrightscareers.com/scholarships-refugees-migration/>
2. <https://www.scholarships.com/financial-aid/college-scholarships/scholarship-directory/special-attributes/refugee-immigrant>

Transcripts

Official transcripts are copies of a student's academic record, with information such as courses taken and grade point average.

It is important to understand them in order to track progress.

In order to obtain a transcript, first contact the Office of the Registrar. The start of electronic transcript transfers has had a great impact through efficiency and verification.

Local Resources

Houston Food Bank

535 Portwall Street, Houston, TX 77029

Phone: (832) 369-9390

Working families and individuals are able to shop once per month.

Food Pantry

5645 Hillcroft Ave. Ste # 405, Houston 77036

Phone: (832) 302-1681

Tuesday to Friday: 4.15 PM – 6:30 PM, Saturday 12.00 – 2.00 PM

Refugee Youth After-School Programs

Collins Elementary: 9829 Town Park Dr, Houston, TX 77036

Sneed Elementary: 9855 Pagewood Ln, Houston, TX 77042

Phone: (713) 874-6516

The program is free of charge. Homework assistance, education on American life and culture, ESL help.

Refugee Health Screening Program

7447 Harwin Drive, Suite 180, Houston,
Texas 77036

Phone: (713) 274-2599

Monday - Friday 8:00 a.m. - 5:00 p.m.

Physical examinations, screening for
Tuberculosis and other infectious diseases,
immunizations, basic screening laboratory
tests, referrals to primary care providers.

Emergency Helpline

Phone: 9-1-1

For emergency services police, fire rescue, medical.

Non-Emergency Police Line

Phone: (713) 884-3131

Poison Control Center

Photo: (800) 222-1222

Houston Area Women's Center

4021 Baden Street, Houston 77009

Phone: (832) 382-1669

Email: seemib.tx@icnarelief.org

Helps individuals affected by domestic and sexual violence.

Glossary

Asset: property owned by a person or company, regarded as having value and available to meet debts, commitments, or legacies.

Bank: institution offers financial services that include lending money, collection of deposits, issue of currencies and debit cards, and transaction processing

Budget: a plan used to decide the amount of money that can be spent and how it will be spent

Credit score: a number assigned to a person that indicates to lenders their capacity to repay a loan.

Credit report: A report containing detailed information on a person's credit history, including identifying information, credit accounts and loans, bankruptcies and late payments, and recent inquiries.

Debit card: a card issued by a bank allowing the holder to transfer money electronically to another bank account when making a purchase.

Debt: something, typically money, that is owed or due.

Diversification: a risk management strategy that mixes a wide variety of investments within a portfolio.

Emergency fund: an amount of money that you set aside in case of unexpected costs, such as a medical emergency, loss of a job or major car repairs.

Expenses: the cost required for something; the money spent on something.

Income: is money that an individual or business receives in exchange for providing a good or service or through investing capital

Interest: calculated as a percentage of a loan (or deposit) balance, paid to the lender periodically for the privilege of using their money.

Invest: to commit (money) in order to earn a financial return.

Loans: a thing that is borrowed, especially a sum of money that is expected to be paid back with interest.

Liabilities: a thing for which someone is responsible, especially a debt or financial obligation.

Net worth: is really everything you own of significance (your assets) minus what you owe in debts (your liabilities).

Payroll deduction: is an amount taken from each paycheck, like taxes, that reduces an employee's gross pay or total pay.

Principal: amount of money you invest

Stocks: a type of investment that represents an ownership share in a company.

Time value of money: the concept that money available at the present time is worth more in the future.

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