

Pandemic Financial Tool-Kit

APRIL 2020



LUTHERAN
SOCIAL SERVICES
OF INDIANA

Help you need.
Hope you can trust.

Introduction

Lutheran Social Services of Indiana is committed to moving families toward economic and family stability. During this unprecedented time of COVID-19, it can be difficult for individuals and families to determine what decisions are best for them. This financial tool-kit is a compiled list of resources and facts as they are right now – and are subject to change. *This financial tool-kit is offered for your use is subject to the terms of the limitation of liability set forth below.* If you have any questions or are in need of more assistance than this resource kit can provide, contact your case manager or IN 211.

What you will find in this toolkit:

- Answers to urgent financial questions
- Connections to resources and more information
- Strategies to make positive financial decisions

Key Take-aways:

- **Save your receipts.** If you need assistance later, you may need to prove that your spending in recent months has been for basic needs only.
- If you are struggling to determine which bills need paid first - **start with structure and food.** We have labeled critical bills in red in this tool for your help!
- **Do not put off important phone calls.** Do not wait to call a lender if you cannot pay by the due date. They may be more willing to accommodate your situation now if it is before you become really behind.
- **If you can pay your bills - DO.** Just because shut-offs and evictions are on hold does not mean payments will not be due. You are still responsible for your on-going bills - and one day the grace periods will end.

Lutheran Social Services of Indiana
Cup of Kindness/Financial Stability
 333 E. Lewis St.
 Fort Wayne, IN 46802
 (260) 426-3347 | www.lssin.org

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Rent

Priority : **Critical**



The Facts:

- Landlords cannot evict during the state of emergency (called moratorium period)
- The State of Indiana and Allen County are not processing eviction filings at this time
- You are still responsible to pay your rent each month
- If you do not pay the full amount each month, this amount will continue to add up and could include late fees
- You will be required to pay your balance in full once the moratorium ends
- If you do not pay your required balance, your landlord can then file for eviction as soon as the moratorium ends
- The moratorium period started April 1, 2020 and will end when the Governor's order has been lifted

Best Options:

- If you cannot pay your rent, contact your landlord as soon as possible to arrange a payment plan
- Talk with your case manager or contact IN 211 about possible resources in the community
- If you can, pay your rent in full or make a partial payment; this will show your commitment to keep your rent as up-to-date as possible

Should I Skip Rent Payments? **NO**

- Not if you can help it: they will be due at the end of the crisis
- Communicate with your landlord if you are not able to pay your rent in full; talk with them and share your current financial situation, it will show you are taking action and want to get caught up as soon as possible

Resources

- [Allen County Stay on Evictions Video](#)
- [Allen County Stay on Evictions Website](#)
- [Indiana United Way 211](#)

Mortgage

Priority : Critical



The Facts:

- Federally-backed mortgages cannot be foreclosed on during the crisis
- Private mortgages can be foreclosed on
- You are responsible to pay your mortgage payment each month
- You can apply to the IHCDA for mortgage assistance from their Hardest Hit Fund by calling **1-877-GET-HOPE** or you can go online at <https://www.877gethope.org>

Definitions:

- Federally-backed mortgages
 - FHA
 - VA Loans
 - Deptment of Agrigulture Rural USDA loans
- Private Morgages
 - Online Lendors such as Quicken Loans, Better Mortgage
 - Traditional loans through banks such as Bank of America, Wells Fargo and PNC
 - Traditional loans through credit unions such as 3 Rivers FCU and MidWest America

Best Options:

- If you cannot pay your monthly payment, contact your loan-holder to arrange a payment plan
- If you can, make your monthly payment in full and on time; if your payment will be late, or you can only make a partial payment, you must contact your loan-holder and make them aware
- If you are not able to make your payment, or make it in full, discuss the penalties that may build up with your loan-holder; this could include an increase in your interest rate, when the “catch up” amount will be due, etc.

Should I Skip Mortgage Payments? **NO**

- If it is federal: not if you can help it; they will be due at the end of the crisis, with any added interest and penalty fees
- If it is private: not at all; you will be in danger of foreclosure
- Communicate with your mortgage company if you are not able to make your monthly mortgage payment; talk with them and share your current financial situation, it will show you are taking action and want to get caught up as soon as possible

Resources

- [Hardest Hit Fund](#)
- [Consumer Finanical Protection Bureau - Mortgage Relief Options](#)

Utilities

Priority : **Critical**



The Facts:

- Essential utilities have agreed to halt shut-offs during the crisis
- Without payment, the amount due will continue to accrue (add up) each month and you will be responsible for the entire amount after the moratorium ends

Definitions

- Essential utilities include:
 - Lights
 - Water
 - Gas
- Essential utilities DO NOT include:
 - Phone
 - Internet

Best Options:

- If you can't pay your bill in full, pay what you can
- Call your utility company and they will work with you on payment arrangements

Should I Skip Utility Payments? **NO**

- Not if you can help it; the balance owed will be due after the moratorium period and you could be subject to disconnection after the health emergency is lifted
- Communicating with your utility company is important; they may be able to work out a payment plan with you

Resources

- [Indiana Office of Utility Consumer Counselor](#)
- [City of Fort Wayne Utilities](#)

Student Loans

Priority : **Moderate**



The Facts:

- Federally backed student loans won't be collected (deferred) until the fall
- You will not accrue any interest during this deferment period
- This is automatic, and won't hurt your credit if you stop paying
- This does not apply to private student loans

Definitions:

- Federally Backed Student Loan Lender Examples:
 - Cornerstone
 - FedLoan Servicing
 - Navient
 - Great Lakes Educational Loan Services, Inc.
- Private Student Loan Lender Examples:
 - Citizen's Bank
 - College Avenue
 - SallieMae
 - SunTrust

Best Options:

- Pay what you can towards them, especially if they are from a private lender
- Even if they are federal loans, you'll get ahead by making regular payments

Should I Skip Student Loan Payments? **Ideally, no...**

- If it is federal: not if you can help it; all payments made now will be applied directly to paying down the principle balance
- If it is private: not at all; you will be racking up interest
- If you are having trouble making your private loan payments, contact your lender to see what payment options are available to you; it is important to ask about penalties and interest if you choose to make arrangements

Resources

- [Federal Student Loan Q&A](#)
- To Determine Loan Servicer: [Federal Student Aid Information Center](#) or call 1 (800) 433 3243

Consumer Debt

Priority : **Moderate**



The Facts:

- Private, consumer debt is not being paused
- This includes car loans, credit cards, pay day loans, payment plans
- Your credit will be damaged by non-payment

Definitions:

- Types of consumer debt:
 - Credit cards
 - Car loans
 - Payday loans
- Not included in consumer debt
 - Taxes
 - Medical debt

Best Options:

- If you can't pay your debts, contact the lender to arrange a payment plan
- If you can, pay each installment on time

Should I Skip Consumer Debt Payments? **Ideally, no...**

- For most debt - not at all; you will be accruing interest and in some cases it could increase your interest rates
- Non-payment on these accounts could result in repossession, involvement of collection agencies or result in other legal action; this could also result additional costs and fees
- If you must skip a payment, contact the lender to work out a payment plan

Resources

- [Consumer Financial Protection Bureau - Credit Cards](#)
- [Consumer Financial Protection Bureau - Auto Loans](#)
- [Consumer Financial Protection Bureau - Payday Loans](#)

Unemployment



The Facts:

- Base unemployment rates are determined by the amount of money you made before the job ended
 - Base is usually 47% of your normal rate, up to a maximum of \$390 per week
 - Example 1: If you made \$30,000 - your weekly base in Indiana is currently \$271 per week
 - Example 2: If you made \$45,000 - your weekly base in Indiana is currently \$390 per week
- The CARES Act adds a temporary \$600 weekly increase – just for those impacted by COVID
- If your wages change (decrease) because of COVID-19, you may be eligible for some partial benefits
- If you are a contract worker or self-employed, (such as a hair stylist) you may be eligible for benefits
- Due to the large increase of workers claiming unemployment, processing time or wait times to speak with the unemployment office will be longer than normal
- You can quickly apply online with the Indiana Department of Workforce Development

Best Options:

- If you are unemployed take advantage of it as soon as possible
- This includes those who are self-employed or independent contract workers who cannot work due to COVID-19
- Save your receipts - if you would need assistance in the future, such as with the Township Trustee, you may need to prove that your unemployment benefits were used for basic needs such as food, shelter and utilities

Resources

- [Indiana DWD Unemployment COVID-19 Information](#)
- [Indiana DWD Unemployment Resources](#)
- [Indiana Unemployment Application Portal](#)

The Stimulus Check



The Facts:

- Full benefit payments will be made to individuals who earn less than \$75,000 or married couples who earn less than \$150,000 total
- Individuals who make more than \$75,000/\$150,000 will receive less
- To estimate your stimulus amount: <https://www.washingtonpost.com/graphics/business/coronavirus-stimulus-check-calculator/>
- Full benefits are \$1,200 per adult, \$500 per child ages 17 and younger
- If you file taxes electronically or get SSI, this will be a direct deposit, starting April 15
- If you haven't filed taxes in 2018 or 2019, you need to do so now
- To be eligible for direct deposit, you can provide your deposit information through the Get My Payment Portal
- If you have questions, contact your CPA or the individual who prepared your taxes

Best Options:

- Reserve this money for bills, rent, food, transportation, or savings
- Get by without spending it as long as possible: use it for emergencies
- Save your receipts! You may be required to provide documentation of how stimulus funds and tax returns are spent when requesting financial assistance (such as from a Township Trustee)
- Talk with your case manager or call IN 211 if you would like guidance on how to direct these funds

Resources

- [Get My Payment Portal](#)
 - This portal can be used to update information, provide direct deposit information or track your stimulus payment
- [Indiana United Way 211](#)
- [Stimulus Check Calculator](#)

Budgeting & Savings



The Facts:

- Creating a budget (and sticking to it) is the easiest way to save money
- A budget should be written down, adjusted, and new each month
- Every dollar you make or get each month should have an assignment
- Having an emergency fund is the most effective way to weather difficult times
- Financial experts recommend having at least \$500-\$1000 in a savings account
- Ultimately, having 3-6 months' worth of costs is the ideal protection against uncertainty

Best Options:

- Use a notebook, app, website, or spreadsheet to track your costs
- Make a routine of updating/adjusting your expenses each week
- To begin saving, start paying yourself regularly, like you pay other bills – 10% of your check is a good target
- Only use your savings for an emergency: an unexpected need – not a want or treat

Resources

- [Every Dollar App for Budgeting and Saving](#)
- Page 11 of this Guide - Budget Worksheet
- [Budgeting 101](#)

Meal Planning



The Facts:

- Eating at home is, on average, 2-3 times cheaper than eating out; just eating at home one more time per week could save you as much as \$832 per year
- Eating at home is also healthier, with less sodium, trans fats, and calories
- Planning your meals (daily, weekly, or monthly) helps lower stress and prevents impulse eating out

Best Options:

- Write out your meals for each day on a notepad or dry-erase board
- List all the ingredients you need for those meals, and buy them once a week
- When planning meals, consider your busy days and make those meals ahead to resist temptation to eat out
- If you are not a morning person, prep easy toaster or microwave breakfasts to go in the morning
- Planning specific meals for specific days will take away the "what's for dinner question" and take away the temptation to order out
- Find a resource with meal plans and shopping lists already made online to save time and keep within a budget

Resources

- Page 12 of this Guide: Meal Planning Worksheet
- [Free Meal Plans for Budget-Friendly Meal Planning](#)
- [Meal Planning During COVID-19](#)

MY MONEY-GOALS ACTION PLAN

PAY CHECK	UN-EMPLOYMENT	TAX RETURN	STIMULUS CHECK	CHILD SUPPORT	SOCIAL SECURITY	OTHER	TOTAL FOR THE MONTH:
\$ +	\$ +	\$ +	\$ +	\$ +	\$ +	\$ =	\$

NEEDS	COSTS	%	GOALS	COSTS	%
<i>GROCERIES/STAPLES</i>			<i>EMERGENCY FUND</i>		
<i>RENT/MORTGAGE</i>			<i>FUTURE PURCHASE FUND</i>		
<i>ELECTRIC BILL</i>			<i>CHARITY/TITHE</i>		
<i>WATER BILL</i>			<i>ALL OTHERS</i>		
<i>NATURAL GAS BILL</i>			TOTAL		
<i>CAR GAS/BUS PASS</i>			HIGH/LO PRIORITY WANTS	COSTS	%
<i>INSURANCE</i>			<i>PHONE BILL</i>		
<i>CHILDCARE</i>			<i>INTERNET BILL</i>		
<i>ALL OTHERS</i>			<i>EATING OUT</i>		
TOTAL			<i>PET FOOD/PET CARE</i>		
DEBTS	COSTS	%	<i>CLOTHING/SHOES</i>		
<i>CONSUMER DEBT</i>			<i>FURNITURE/HOUSEWARE</i>		
<i>CAR PAYMENTS</i>			<i>SHOPPING</i>		
<i>CHILD SUPPORT</i>			<i>HOUSE PROJECTS/DIY</i>		
<i>GARNISHMENTS</i>			<i>HOBBIES/FUN/SOCIAL</i>		
<i>STUDENT LOANS</i>			<i>HAIR/NAILS/SELF-CARE</i>		
<i>MEDICAL DEBT</i>			<i>GYM/FITNESS</i>		
<i>DEBT SNOWBALL</i>			<i>TV/ENTERTAINMENT</i>		
<i>ALL OTHERS</i>			<i>ALL OTHERS</i>		
TOTAL			TOTAL		

TOTAL EXPENSES		NET DIFFERENCE	
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Meal Planner

Monday

Breakfast
Lunch
Dinner

Tuesday

Breakfast
Lunch
Dinner

Wednesday

Breakfast
Lunch
Dinner

Thursday

Breakfast
Lunch
Dinner

Friday

Breakfast
Lunch
Dinner

Saturday

Breakfast
Lunch
Dinner

Sunday

Breakfast
Lunch
Dinner

Notes:

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